

DEPARTMENT OF EDUCATION

OVERVIEW

In its stated mission, “The New Jersey Department of Education will provide leadership for a superior education by utilizing multiple and diverse paths to success for all children in New Jersey.”

Every initiative is dedicated to fulfilling the Department’s mission that aims for excellence, but recognizes that there are many ways to achieve it. It is a mission that encourages flexibility, innovation, and collaboration.

One major focus of the mission centers on early literacy. Research has shown that children who can read by the end of grade three have a greater chance for success in school from that point on. Once students have received an excellent start to education, the Department has ensured that from kindergarten through grade 12, students will be required to meet rigorous standards in nine areas. The original standards adopted in 1996 by the State Board of Education in language arts literacy, math, science, social studies, world languages, comprehensive health and physical education, and the visual and performing arts have been revised to be more specific. In 2003-2004, the State Board adopted revised standards in the original seven areas and also added two new areas – technology and career education and consumer, family, and life skills. Once the standards were adopted, the Department aligned the state assessments in grades 4, 8, and 11 to the more rigorous standards. In accordance with requirements of the federal No Child Left Behind Act (NCLB), the State has added a third-grade test.

As students progress from pre-K to grade 12, in order to continue to achieve success, they must have access to excellent teachers. The Department has worked with the State Board on numerous aspects of the professional development and licensing codes. Teachers have newly adopted professional standards that upgrade the quality of college preparation, as well as the quality of professional development programs and activities.

The Department continues to channel all of its efforts into helping school districts provide a superior education for our students. In addition to monitoring its own initiatives, the Department ensures that New Jersey schools are meeting the requirements of State and federal law in regard to school safety and student achievement.

Budget Highlights

The Fiscal 2007 Budget for the Department of Education (DOE) totals \$10.531 billion, an increase of \$1.065 billion or 11.2% over the fiscal 2006 adjusted appropriation of \$9.466 billion.

School Aid

School Aid for fiscal 2007 is recommended at \$10.4 billion, an increase of \$1 billion from fiscal 2006. This figure includes \$7.6 billion in direct aid awards to school districts. It also provides \$2.3 billion in State payments made on behalf of local school districts for pension and post-retirement medical benefits, debt service on pension bonds, and the employer’s share of social security payments for teachers. Categories of aid have been evaluated for effectiveness and existing resources have been reallocated to recognize shifts in enrollment. Most categories of aid have been held flat and ineffective programs have been reworked or eliminated to streamline funding to the most crucial and effective programs.

School Construction

Fiscal 2007 school aid also includes \$375.2 million for the School Construction and Renovation Program and \$116.8 million in School Building Aid. This funding will provide for State school construction debt service on new and existing bond issues, as well as aid for qualifying local debt issued for school construction. Under the Educational Facilities Construction and Financing Act (EFCFA), the State provides 100% of Abbott districts’ approved construction/renovation project costs, while all other districts are guaranteed a minimum of 40% of approved project costs.

The New Jersey Schools Construction Corporation (SCC), a subsidiary of the New Jersey Economic Development Authority, is dedicated exclusively to school construction. In February 2006, the Governor issued Executive Order #3 that established the Interagency Working Group on School Construction to review the SCC and develop recommendations for reform.

Early Childhood Education

Under the Comprehensive Educational Improvement and Financing Act of 1996 (CEIFA), all districts awarded Early Childhood Program Aid were required to provide full-day kindergarten and half-day preschool programs for four-year-olds by the 2001-2002 school year. For Abbott districts, the preschool requirement was expanded to full-day, full-year programs for three- and four-year-olds. It is expected that the number of Abbott preschoolers served in fiscal 2007 will continue to grow as a result of the Department’s efforts. The Budget provides \$243.2 million for the expansion of preschool programs in these districts, an increase of \$39 million from fiscal 2006.

In addition, \$3 million is provided for the Early Launch to Learning Initiative (ELLI) to expand high quality preschool access for four-year-olds in low-income, non-Abbott districts.

Statewide Assessment Program

The development and expansion of assessments to determine student achievement of the Core Curriculum Content Standards continues in the Fiscal 2007 Budget with an appropriation of \$20.7 million for the Statewide Assessment Program, an increase of \$4.5 million over fiscal 2006. This appropriation continues standards-based assessments in grades 3, 4, and 8 and a high school proficiency assessment in grade 11. The increase also provides funding for standards-based assessments in grades 5, 6, and 7. The addition of these three grade levels and the development of science assessments for grades 4, 8, and 11 will put New Jersey in compliance with federal mandates designed to ensure the success of every child.

Special Education Grants

Classification of autistic special education students in New Jersey has been rapidly increasing in recent years, more than doubling since 2000. Many of these students are served in out-of-district programs, which are typically the most expensive special education placements. To address the increasing population and costs, the Fiscal 2007 Budget includes \$15 million in new spending for grants to districts to plan, expand, or enhance in-district programs. In recognition of the challenges faced by districts in serving special education students with other needs, the Budget also includes \$4.5 million in new spending for grants for districts to develop, expand, or enhance in-district special education programs.

Afterschool Programs

In addition to the traditional school day, the hours after school are a crucial time for children to be involved in activities that improve and reinforce academic performance. In addition, such programs engage children in productive activities during times when they would otherwise be unsupervised, making these programs an important alternative to potentially harmful activities. To address this need, the Fiscal 2007 Budget reflects a commitment to afterschool programs by doubling funding for the New Jersey After 3 program to \$15 million. With this funding, New Jersey After 3 will provide afterschool programs to an additional 2,000 children.

Continuing Programs

The Budget recommends \$188,000 for grants to help teachers seeking National Board of Professional Teaching Standards certification. A fiscal 2007 appropriation of \$2.5 million is also recommended to support the Teacher Mentoring program. This program reimburses districts for stipends paid to experienced

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teachers serving as mentors to new teachers with the goal of increasing the rate of retention.

The Budget continues to support the Marie H. Katzenbach School for the Deaf, providing \$3.3 million in fiscal 2007.

An appropriation of \$5.1 million for the Liberty Science Center will continue to provide science education services for students in the Abbott districts in fiscal 2007, a reduction of \$1 million from fiscal 2006.

The Budget provides \$5.9 million for reading coaches and other forms of reading assistance to schools, children, and communities. In the coming year, the assistance will be expanded to include mathematics education. These efforts will help achieve the goal that every student will be able to read and perform basic mathematical functions at or above grade level by the third grade. This includes \$1.5 million for a new grant program, the Initiative for the Development of Early Achievement in Literacy (IDEAL), for the lowest performing, non-Abbott, non-Reading First elementary schools to support literacy instruction of students in kindergarten through grade 4.

Department Accomplishments

To carry out its mission and support the Administration's education agenda, the Department of Education has identified five areas of focus for all of its actions and initiatives: teacher and administrator quality; raising student achievement; diverse and multiple paths for student success; innovative and outstanding practices and programs; and public communication, engagement, and accountability.

Teacher and administrator quality: One major accomplishment in this area of focus includes the State Board's adoption of the Department's new, revised Professional Licensure and Standards regulations that are aligned to the Core Curriculum Content Standards. The code contains the following: the new professional standards; national accreditation requirements for standards-based teacher preparation programs; a continuous path of teacher training from college preparation to ongoing professional development; and certification requirements that result in highly qualified teachers. Another major accomplishment was the implementation of two sizable national grant awards from the Wallace Foundation to develop national standards for school leaders in conjunction with the State Action for Educational Leadership Project (SAELP). The Department, working with the State Board, has raised standards for prospective teachers, including a higher grade point average and higher Praxis scores.

Raising student achievement: The major initiative in regard to long-term results in raising student achievement has been the emphasis on high-quality early childhood education. The Department's goal is to have every child able to read, at or above grade level, by the end of grade three. The Department has increased

participation in the Abbott preschool program, and it has raised the quality of the programs through preschool teaching and learning expectations aligned with the Core Curriculum Content Standards, P-3 certification of teachers and self-evaluation tools to monitor progress. The Department has conducted the revision process for the original Core Curriculum Content Standards, resulting in standards that are more rigorous and specific, and the state assessments have been aligned to the new standards.

Diverse and multiple paths for student success: Several of the major initiatives in this area involve the high school population. The Department worked with the State Board of Education to develop and adopt new high school graduation requirements that permit greater flexibility in teaching and learning the skills and knowledge required for graduation. The new regulations represent a shift away from seat time to optional ways for students to demonstrate proficiency in required subject matter. In conjunction with the more flexible rules, the Department has been conducting a pilot project to encourage high school seniors who have finished all graduation requirements to participate in a variety of out-of-school options to finish out their high school requirements, such as internships, community service, and college or online courses.

Innovative and outstanding programs and practices: Through the use of a variety of incentives and awards, the Department has opened up possibilities for districts to share their successful educational practices with each other. In many of the programs, one of the requirements is to help other districts replicate the successful program or practice. The Department has held numerous events showcasing best practices in many areas including vocational-technical and second language learners.

Public communication, engagement, and accountability: Through the Department's restructuring in 2002 into regional offices with greater accessibility to the local districts, it has been better able to communicate with districts and involve them in the development of policy. The Department has utilized task forces in early and middle school literacy, as well as teacher town meetings. As the Department has launched initiatives, it has worked with the school districts by offering technical assistance. Numerous awards programs reward innovation and excellent performance in districts. Sometimes incentives do not work to improve performance in low-performing districts, however. The recently enacted New Jersey Quality Single Accountability Continuum (NJQSAC) replaces the old monitoring system and shifts emphasis away from compliance and continuous oversight to that of targeted support and technical assistance. Districts must be held accountable, but the Department is emphasizing early intervention and technical assistance to accomplish immediate improvement, rather than imposing long-term sanctions that have proven ineffective.

DEPARTMENT OF EDUCATION SUMMARY OF APPROPRIATIONS BY FUND (thousands of dollars)

Year Ending June 30, 2005					Year Ending June 30, 2007		
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended	2006 Adjusted Approp.	Requested	Recom- mended
60,436	3,284	14,593	78,313	69,313			
25,544	---	396	25,940	25,277			
2,385,849	5,573	-93,915	2,297,507	2,291,403			
---	946	---	946	166			
2,471,829	9,803	-78,926	2,402,706	2,386,159			
					GENERAL FUND		
					Direct State Services	62,368	62,042
					Grants-In-Aid	18,129	41,813
					State Aid	983,919	1,282,814
					Capital Construction	1,050	2,450
					Total General Fund	1,065,466	1,389,119
						1,389,119	1,389,119

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Year Ending June 30, 2005						Year Ending June 30, 2007		
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended		2006 Adjusted Approp.	Requested	Recom- mended
6,496,386	5,741	75,388	6,577,515	6,566,335	PROPERTY TAX RELIEF FUND			
					State Aid	8,401,023	9,142,006	9,142,006
<u>6,496,386</u>	<u>5,741</u>	<u>75,388</u>	<u>6,577,515</u>	<u>6,566,335</u>	<i>Total Property Tax Relief Fund</i>	<u>8,401,023</u>	<u>9,142,006</u>	<u>9,142,006</u>
<u>8,968,215</u>	<u>15,544</u>	<u>-3,538</u>	<u>8,980,221</u>	<u>8,952,494</u>	<i>Total Appropriation, Department of Education</i>	<u>9,466,489</u>	<u>10,531,125</u>	<u>10,531,125</u>

SUMMARY OF APPROPRIATIONS BY PROGRAM (thousands of dollars)

Year Ending June 30, 2005						Year Ending June 30, 2007		
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended		2006 Adjusted Approp.	Requested	Recom- mended
					DIRECT STATE SERVICES - GENERAL FUND			
					Direct Educational Services and Assistance			
---	---	---	---	---	Adult and Continuing Education	---	---	---
212	---	12	224	224	Bilingual Education	226	226	226
54	---	2	56	56	Special Education	58	58	58
<u>266</u>	<u>---</u>	<u>14</u>	<u>280</u>	<u>280</u>	<i>Subtotal</i>	<u>284</u>	<u>284</u>	<u>284</u>
					Operation and Support of Educational Institutions			
2,899	74	---	2,973	2,971	Marie H. Katzenbach School for the Deaf	3,149	3,264	3,264
<u>2,899</u>	<u>74</u>	<u>---</u>	<u>2,973</u>	<u>2,971</u>	<i>Subtotal</i>	<u>3,149</u>	<u>3,264</u>	<u>3,264</u>
					Supplemental Education and Training Programs			
277	---	-42	235	235	General Vocational Education	266	266	266
<u>277</u>	<u>---</u>	<u>-42</u>	<u>235</u>	<u>235</u>	<i>Subtotal</i>	<u>266</u>	<u>266</u>	<u>266</u>
					Educational Support Services			
---	---	---	---	---	Educational Technology	---	---	---
27,076	---	-214	26,862	21,301	Educational Programs and Assessment	26,923	28,920	28,920
528	---	---	528	528	Grants Management	644	644	644
2,143	1,010	---	3,153	3,129	Professional Development and Licensure	2,862	2,830	2,830
5,722	3	495	6,220	6,219	Service to Local Districts	6,008	6,407	6,407
---	---	---	---	---	Office of School Choice	---	---	---
120	---	2,329	2,449	2,449	Early Childhood Education	127	127	127
415	---	14	429	429	Pupil Transportation	422	422	422
---	---	10,821	10,821	10,820	Abbott Implementation	---	---	---
3,246	1,292	---	4,538	3,290	Facilities Planning and School Building Aid	2,911	2,770	2,770
1,348	---	-4	1,344	1,336	Health, Safety, and Community Services	1,376	1,111	1,111
<u>40,598</u>	<u>2,305</u>	<u>13,441</u>	<u>56,344</u>	<u>49,501</u>	<i>Subtotal</i>	<u>41,273</u>	<u>43,231</u>	<u>43,231</u>
					Education Administration and Management			
3,152	3	221	3,376	3,375	School Finance	3,403	3,353	3,353
2,258	---	313	2,571	2,570	Compliance and Auditing	2,288	1,918	1,918
10,986	902	646	12,534	10,381	Administration and Support Services	11,705	9,726	9,726
<u>16,396</u>	<u>905</u>	<u>1,180</u>	<u>18,481</u>	<u>16,326</u>	<i>Subtotal</i>	<u>17,396</u>	<u>14,997</u>	<u>14,997</u>
<u>60,436</u>	<u>3,284</u>	<u>14,593</u>	<u>78,313</u>	<u>69,313</u>	<i>Total Direct State Services - General Fund</i>	<u>62,368</u>	<u>62,042</u>	<u>62,042</u>
<u>60,436</u>	<u>3,284</u>	<u>14,593</u>	<u>78,313</u>	<u>69,313</u>	TOTAL DIRECT STATE SERVICES	<u>62,368</u>	<u>62,042</u>	<u>62,042</u>

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Year Ending June 30, 2005					Year Ending June 30, 2007		
Orig. & (S)Supplemental	Reapp. & (R)Recpts.	Transfers & (E)Emergencies	Total Available	Expended	2006 Adjusted Approp.	Requested	Recommended
---	---	---	---	---			
---	---	---	---	---			
10,544	---	396	10,940	10,277			
15,000	---	---	15,000	15,000			
25,544	---	396	25,940	25,277			
25,544	---	396	25,940	25,277			
25,544	---	396	25,940	25,277			
598,227	650	---	598,877	598,227			
111,344	70	---	111,414	108,123			
11,929	59	-1,113	10,875	10,631			
---	---	---	---	---			
52,000	---	---	52,000	51,998			
773,500	779	-1,113	773,166	768,979			
4,860	---	---	4,860	4,860			
4,860	---	---	4,860	4,860			
---	---	---	---	---			
295,968	4,794	-49,882	250,880	249,625			
1,311,521	---	-42,920	1,268,601	1,267,939			
1,607,489	4,794	-92,802	1,519,481	1,517,564			
2,385,849	5,573	-93,915	2,297,507	2,291,403			
4,914,195	5,741	69,788	4,989,724	4,978,600			
73,491	---	5,600	79,091	79,039			
65,578	---	---	65,578	65,578			
199,512	---	---	199,512	199,512			
896,420	---	---	896,420	896,420			
6,149,196	5,741	75,388	6,230,325	6,219,149			
38,948	---	---	38,948	38,948			
38,948	---	---	38,948	38,948			

GRANTS-IN-AID - GENERAL FUND

Direct Educational Services and Assistance

Special Education --- 19,500 19,500

Subtotal --- 19,500 19,500

Educational Support Services

Educational Programs and Assessment 10,629 7,313 7,313

Health, Safety, and Community Services 7,500 15,000 15,000

Subtotal 18,129 22,313 22,313

Total Grants-In-Aid - General Fund 18,129 41,813 41,813

TOTAL GRANTS-IN-AID 18,129 41,813 41,813

STATE AID - GENERAL FUND

Direct Educational Services and Assistance

General Formula Aid 143,947 394,935 394,935

Nonpublic School Aid 102,749 101,615 101,615

Miscellaneous Grants-In-Aid 23,641 4,941 4,941

Adult and Continuing Education --- --- ---

Special Education 52,000 52,000 52,000

Subtotal 322,337 553,491 553,491

Supplemental Education and Training Programs

General Vocational Education 4,860 4,860 4,860

Subtotal 4,860 4,860 4,860

Educational Support Services

Grants Management --- --- ---

Facilities Planning and School Building Aid 378,948 492,041 492,041

Teachers' Pension and Annuity Assistance 277,774 232,422 232,422

Subtotal 656,722 724,463 724,463

Total State Aid - General Fund 983,919 1,282,814 1,282,814

STATE AID - PROPERTY TAX RELIEF FUND

Direct Educational Services and Assistance

General Formula Aid 5,559,906 5,434,107 5,434,107

Miscellaneous Grants-In-Aid 85,229 84,179 84,179

Bilingual Education 65,578 65,578 65,578

Programs for Disadvantaged Youths 199,512 199,512 199,512

Special Education 896,420 896,420 896,420

Subtotal 6,806,645 6,679,796 6,679,796

Supplemental Education and Training Programs

General Vocational Education 38,948 38,948 38,948

Subtotal 38,948 38,948 38,948

Year Ending June 30, 2005					Year Ending June 30, 2007			
Orig. & (S)Supplemental	Reapp. & (R)Recpts.	Transfers & (E)Emergencies	Total Available	Expended		2006 Adjusted Approp.	Requested	Recommended
---	---	---	---	---	Educational Support Services			
307,287	---	---	307,287	307,283	Office of School Choice	---	---	---
955	---	---	955	955	Pupil Transportation	309,787	309,787	309,787
---	---	---	---	---	Facilities Planning and School Building Aid	775	23	23
---	---	---	---	---	Teachers' Pension and Annuity Assistance	1,244,868	2,113,452	2,113,452
308,242	---	---	308,242	308,238	<i>Subtotal</i>	1,555,430	2,423,262	2,423,262
6,496,386	5,741	75,388	6,577,515	6,566,335	<i>Total State Aid - Property Tax Relief Fund</i>	8,401,023	9,142,006	9,142,006
8,882,235	11,314	-18,527	8,875,022	8,857,738	TOTAL STATE AID	9,384,942	10,424,820	10,424,820
					CAPITAL CONSTRUCTION			
					Operation and Support of Educational Institutions			
---	558	---	558	48	Marie H. Katzenbach School for the Deaf	---	1,950	1,950
---	558	---	558	48	<i>Subtotal</i>	---	1,950	1,950
					Education Administration and Management			
---	388	---	388	118	Administration and Support Services	1,050	500	500
---	388	---	388	118	<i>Subtotal</i>	1,050	500	500
---	946	---	946	166	TOTAL CAPITAL CONSTRUCTION	1,050	2,450	2,450
8,968,215	15,544	-3,538	8,980,221	8,952,494	<i>Total Appropriation, Department of Education</i>	9,466,489	10,531,125	10,531,125

30. EDUCATIONAL, CULTURAL, AND INTELLECTUAL DEVELOPMENT

31. DIRECT EDUCATIONAL SERVICES AND ASSISTANCE

OBJECTIVES

1. To provide financial assistance to all public local education agencies to ensure their capacity to deliver the programs and services necessary to bring their students to achievement of the Core Curriculum Content Standards.
2. To provide financial assistance for the education of children attending nonpublic schools.
3. To promote local programs to improve the English and citizenship skills of foreign born adults.
4. To provide technical assistance to local school districts in the preparation, adoption, and implementation of school desegregation plans and affirmative action plans. To monitor departmental and school district compliance with federal and State law and established policy regarding school desegregation, affirmative action, and equality of opportunity for minorities and women.
5. To aid, administer, evaluate, and monitor educational programs for children and adults with educational disabilities, including those served by State and federal projects.
6. To aid, develop, manage, and evaluate federal and State educational programs for children and adults of limited English speaking proficiency; to assist in implementing mandated statewide testing programs for the limited English speaking population.

7. To administer and monitor the funding of federal and State programs for students at risk of educational failure, including remedial programs for youth and adults; and to assure suitable educational programs to residents of State institutions.

PROGRAM CLASSIFICATIONS

Since fiscal 2003, the school aid calculations described below as modified by the fiscal 2002 Appropriations Act have been used to establish a minimum level of funding that would be provided to a school district and have been modified to provide increases in some categories as outlined in the provisions of the annual Appropriations Act.

01. **General Formula Aid.** The Comprehensive Educational Improvement and Financing Act of 1996 established the basis for the aid that ensures the provision of the regular education portion of a thorough and efficient (T&E) education. The Act specifies the amount of money per pupil - the T&E amount - appropriate for delivering the Core Curriculum Content Standards under certain delivery and efficiency assumptions. In recognition of legitimate local differences in cost, a flexible amount of 5% is added to and subtracted from the T&E amount to determine the T&E range, or range of spending on regular education that will be supported by the State. The T&E amount represents the cost of educating a student in the elementary school (grades 1-5). The cost of educating a kindergarten pupil is 50% of the T&E amount, as the delivery

and efficiency assumptions include a half-day kindergarten program. The cost for a middle school student (grades 6-8) is 4% higher, and for a high school student (grades 9-12), 11% higher.

A district's T&E budget for regular education of its resident pupils is determined by inflating its prior year per-pupil net T&E budget by the consumer price index, provided that the increase in the consumer price index is not less than 3%, and multiplying that amount by the district's weighted enrollment, and then subtracting out categorical aid for the budget year. If the result falls outside the T&E range, the T&E budget is then the top or bottom of the range, as appropriate. For the 31 poor urban districts known as Abbott districts, the T&E budget is the top of the T&E range, notwithstanding prior year spending.

a. **Core Curriculum Standards Aid** - Aid is provided to a district whose T&E budget exceeds the local fair share tax effort. The measure of fiscal capacity is determined by applying statewide multipliers to the value of property and personal income in the district, adjusting the result by the position of the district's T&E budget within the T&E range. The local fair share represents the local resources a district would have to appropriate in order to spend at the level of its T&E budget. A district may spend above its T&E budget level under a variety of circumstances, but its Core Curriculum Standards Aid would not increase. A district may appropriate less than its fair share without its Core Curriculum Standards Aid being reduced. However, all districts are required to appropriate a minimum local share. The determination of this required local share varies by type of district.

b. **Supplemental Core Curriculum Standards Aid** - A first component of Supplemental Core Curriculum Standards Aid is provided to a district with a high concentration of low-income pupils and an excessive burden on its property tax base, and is intended to offset a portion of the required local share. An Abbott district or district that falls within the Department of Education's District Factor Group A designation receives additional Supplemental Core Curriculum Standards Aid in the amount required to offset any tax increase that would be required to meet its required local share after consideration of other regular education aids. A second component of Supplemental Core Curriculum Standards Aid is provided to districts with high T&E tax rates after considering the first component of Supplemental Core Curriculum Standards Aid.

c. **Stabilization Aid and Supplemental Stabilization Aid** - Stabilization provisions in the Act moderate the effects of the abrupt changes in the entitlements from the prebudget year to the budget year. A district whose entitlement growth exceeds the stabilization growth limit of the greater of 10% or the district's projected rate of growth in resident enrollment over the prebudget year, experiences an aid reduction to reach the limit; this reduction is reflected in its aid allocations. A district that experiences a loss in selected aids from the prebudget year receives stabilization aid to offset the amount of the loss. Supplemental stabilization aid is also provided to large efficient districts and to districts in communities with high concentrations of senior citizens.

d. **Early Childhood Aid** - Aid is provided to districts with a 20% or greater concentration of students from low income families, with a larger amount provided to districts with a 40% or greater concentration of low income pupils, for the purpose of providing preschool, full-day kindergarten, and other early childhood programs and services.

e. **Consolidated Aid** - Represents the consolidation and redistribution of distance learning network aid, adult high school/post graduate aid, and academic achievement rewards which along with additional supplemental funds are provided to districts on a per-pupil basis.

02. **Nonpublic School Aid.** Various types of assistance are available to Boards of Education in public school districts in New Jersey to reimburse such districts for expenses they are required to incur on behalf of students who are enrolled in grades K-12 in a nonpublic school, within the district, which complies with compulsory school attendance requirements and with the requirements of Title VI of the Civil Rights Act of 1964. The following aid programs are included:

a. **Nonpublic Textbook Aid** - Supports the purchase and lending of textbooks upon individual request (N.J.S.A. 18A:58-37.1 et seq.). State aid is paid in an amount equal to the state average budgeted textbook expense per public school pupil for the prebudget year, for all nonpublic students enrolled in grades K-12 of a nonpublic school on the last school day prior to October 16 of the prebudget year.

b. **Nonpublic Auxiliary Services Aid** - Aid for compensatory education, English as a second language, and home instruction (N.J.S.A. 18A:46A-1 et seq.) is provided upon consent of the parent or guardian. State aid is paid for providing services to nonpublic pupils equivalent to the services provided to pupils enrolled in the public schools.

c. **Nonpublic Handicapped Aid** - Provides identification, examination, classification, supplemental, and speech correction services (N.J.S.A. 18A:46-19.1 et seq.) for each student who is enrolled full time. State aid is paid to each school district in an amount sufficient to provide examination, classification, supplemental, and speech correction services to nonpublic pupils.

d. **Nonpublic Auxiliary/Handicapped Transportation Aid** - Provides for transporting nonpublic pupils to public schools or neutral sites, for auxiliary/handicapped services that cannot be provided constitutionally in sectarian schools.

e. **Nonpublic Nursing Services Aid** - Provides funds for Boards of Education to provide basic nursing services for nonpublic school pupils who are enrolled full time in nonpublic schools within the school district (N.J.S.A. 18A:40-23).

f. **Nonpublic Technology Initiative** - Provides funds for Boards of Education to provide technology to nonpublic school students. The goal of the nonpublic technology initiative program is to provide nonpublic school pupils with computers, educational software, distance learning equipment, and other technologies that can improve their education by meeting their specific educational needs and to give nonpublic school teachers the skills, resources, and incentives to use educational technologies effectively to improve teaching and learning in the classroom.

03. **Miscellaneous Grants-in-Aid.** The following programs are included:

a. **Emergency Fund** - Allows the commissioner, with the approval of the State Board of Education, to distribute funds to meet unforeseen conditions in any school district (N.J.S.A. 18A:58-11).

b. **Charter School Aid** - Provides direct State aid to charter schools for the support of former nonpublic students in the first year of enrollment at a charter school and for technology improvements and additional funding for full-day kindergarten programs in charter schools located in Abbott districts.

c. Charter School Aid-Council on Local Mandates - Provides aid for charter school students from any district whose basic spending is above the T&E amount, since such districts are obligated to provide only the T&E amount to charter schools.

d. Payments for Institutionalized Children-Unknown District of Residence - Provides for the payment of State aid for educational services to students in grades K-12 who are homeless or a resident in an institution of the Department of Corrections, the Department of Human Services or Juvenile Justice Commission, and for whom a local school district of residence has not been identified.

e. Distance Learning Network Aid - Provided to all districts on a per-pupil basis for the purchase of computers, software and supplies, equipment, wiring, access fees, professional development, staffing, maintenance, and other uses that may be necessary for the establishment of effective distance learning networks.

f. Adult, Post Graduate, and Postsecondary Vocational Aid - State aid is distributed for pupils enrolled in approved adult high schools, post graduate programs and approved full-time postsecondary programs of county vocational schools.

g. Rewards and Recognition -This program was established by the Comprehensive Educational Improvement and Financing Act of 1996 to provide grants to districts with schools demonstrating high levels of achievement or significant gains in achievement on statewide tests.

h. Evening School for the Foreign Born provides financial assistance to school districts for classes in English and in citizenship, with the State matching local funds to a maximum of \$5,000 per school district in any one year (N.J.S.A. 18A:49-1 et seq.)

05. **Bilingual Education.** Categorical aid is provided to local districts for the additional costs of educating students of limited English proficiency. The division also provides technical assistance and program support (N.J.S.A. 18A:35-15). Funding is provided to school districts that meet the following criteria: (1) having greater than 20 students of limited English proficiency in any one language classification who are enrolled in approved bilingual programs; (2) having fewer than 20 students of limited English proficiency who are enrolled in approved English as a Second Language programs; or (3) operating other programs approved by the State Board of Education.

The Bureau of Bilingual Education administers, monitors, and evaluates State and federal grant programs related to the education of limited English proficient students and develops administrative code to implement laws related to the provision of programs and services. The Bureau provides and/or coordinates professional development and technical assistance activities for school district professionals, and assists in the implementation of mandated statewide testing programs as they relate to the limited English speaking population.

06. **Programs for Disadvantaged Youths.** Federal and State funds are provided to school districts to address the needs of

educationally disadvantaged pupils who are vulnerable to school failure as a consequence of community conditions of poverty. The Comprehensive Educational Improvement and Financing Act of 1996 established specific State aid programs for this purpose. Demonstrably Effective Program Aid (DEPA) is provided to schools with a 20% or greater concentration of students from low income families, with a larger amount provided to schools with a 40% or greater concentration of low income students. DEPA is provided to districts to fund a constellation of instruction, governance, health and social services programs in qualified schools. Schools in the Abbott districts are also permitted to expend these funds for implementation of whole school reform. Aid is provided on a per-enrolled pupil basis in the qualifying school. Instructional Supplement aid is provided to districts with a concentration of low income pupils equal to or greater than 5% but less than 20% on a per-low-income pupil basis, for the purpose of providing supplemental services.

07. **Special Education.** The Comprehensive Educational Improvement and Financing Act of 1996 established a four-tier system for funding the additional costs incurred by districts in providing individualized educational programs to special education pupils in public and private school settings, and to non-classified pupils in certain State facilities. Pupils are aided in their district of residence. Pupils classified solely for speech correction services are considered in the T&E amount and aided through general formula aid and thus do not generate special education aid. Tier I aid is paid for students receiving related services such as, but not limited to, occupational therapy, physical therapy, speech and counseling. A classified pupil may generate aid for up to four services covered by Tier I aid, and classified pupils generating aid under other tiers are eligible for Tier I aid as well. Tier II pupils are pupils resident in the district not receiving Tier IV intensive services meeting the criteria for specific learning disability, traumatic brain injury or cognitive impairment, mild or educable mentally retarded and preschool disabled and all classified pupils receiving services pursuant to Chapter 46 of Title 18A in shared time county vocational programs in a county vocational school which does not have a full child study team. Tier III pupils are pupils resident in the district not receiving Tier IV intensive services meeting the criteria for cognitive impairment-moderate, orthopedically impaired, auditorily impaired, communication impaired, emotionally disturbed, multiply disabled, other health impaired, and visually impaired. Tier IV pupils are pupils resident in the district meeting the classification definitions for autistic and cognitive impairment-severe and other pupils who receive one or more of the following nine services that must be specified in the pupil's individualized education program: Individual Instruction, Pupil:Teacher-Aide Ratio of 3:1 or Less, High Level Assistive Technology, Extended School Year, Intensive Related Services, Interpreter Services, Personal Aide, Residential Placement for Educational Purposes and Individual Nursing Services.

EDUCATION

EVALUATION DATA

	Actual FY 2004	Actual FY 2005	Revised FY 2006	Budget Estimate FY 2007
PROGRAM DATA				
General Formula Aid				
Resident Enrollment	1,441,748	1,446,815	1,448,232	1,451,486
Support Per Pupil (Per State Expenditure/Appropriation and District Budgets)	\$13,300	\$14,085	\$14,951	\$16,102
Local	\$7,167	\$7,509	\$7,967	\$8,400
State	\$5,628	\$6,032	\$6,409	\$7,097
Federal	\$505	\$544	\$575	\$605
Percent Support Per Pupil				
Local	53.9%	53.3%	53.3%	52.2%
State	42.3%	42.8%	42.9%	44.1%
Federal	3.8%	3.9%	3.8%	3.7%
Enrollment as of October 15 (Pre-Budget Year)				
All Districts, Total	1,424,773	1,441,748	1,446,815	1,448,232
Kindergarten/Preschool	134,731	137,722	138,331	140,531
Elementary School (Grades 1-5)	470,886	466,528	461,671	458,842
Middle School (Grades 6-8)	277,674	278,105	276,422	272,255
High School (Grades 9-12)	314,981	326,032	333,547	338,223
Evening School, Post Graduate	13,592	13,366	12,182	10,908
Special Education	187,989	195,020	198,805	201,260
County Vocational	21,081	21,234	22,316	22,883
Students in State Facilities	3,839	3,741	3,541	3,330
Nonpublic School Aid				
Textbook Aid - Pupils Enrolled	195,543	190,970	184,161	184,161
Auxiliary Services Aid - Students Served	38,424	37,298	36,910	36,910
Handicapped Aid - Students Served	30,888	32,618	35,730	35,730
Nursing Services Aid - Pupils Enrolled	197,114	191,761	185,851	185,851
Bilingual Education				
Limited English Speaking Students Served	57,548	58,365	55,394	54,043
Programs for Disadvantaged Youths				
Federal Title I				
Migrant Children Served	3,488	3,488	3,488	4,234
Disadvantaged Children Served	300,000	300,000	300,000	300,000
Students Eligible for Free Lunch/Free Milk				
All Districts	280,281	276,951	285,445	287,400
Abbott Districts	171,741	164,970	168,258	161,853
Special Education				
Enrollments				
Local Districts	181,238	188,217	192,140	194,741
Regional Day Schools	1,076	1,051	1,038	960
County Vocational Special Education	5,675	5,752	5,627	5,559
PERSONNEL DATA				
Position Data				
Filled Positions by Funding Source				
State Supported	4	4	4	4
Federal	109	104	109	128
Total Positions	113	108	113	132
Filled Positions by Program Class				
Bilingual Education	5	4	2	5
Programs for Disadvantaged Youths	12	7	13	19
Special Education	96	97	98	108
Total Positions	113	108	113	132

Notes:

Actual payroll counts are reported for fiscal years 2004 and 2005 as of December and revised fiscal 2006 as of March. The Budget Estimates for fiscal 2007 reflect the number of positions funded.

APPROPRIATIONS DATA
(thousands of dollars)

Year Ending June 30, 2005					Year Ending June 30, 2007				
Orig. & (S)Supplemental	Reapp. & (R)Recpts.	Transfers & (E)Emergencies	Total Available	Expended	Prog. Class.	2006 Adjusted Approp.	Requested	Recommended	
<u>DIRECT STATE SERVICES</u>									
Distribution by Fund and Program									
212	---	12	224	224	05	226	226	226	
54	---	2	56	56	07	58	58	58	
266	---	14	280	280		284^(a)	284	284	
Distribution by Fund and Object									
Personal Services:									
207	---	14	221	221		225	225	225	
Salaries and Wages									
207	---	14	221	221		225	225	225	
Total Personal Services									
21	---	---	21	21		21	21	21	
Materials and Supplies									
37	---	---	37	37		37	37	37	
Services Other Than Personal									
1	---	---	1	1		1	1	1	
Maintenance and Fixed Charges									
<u>GRANTS-IN-AID</u>									
Distribution by Fund and Program									
---	---	---	---	---	07	---	19,500	19,500	
Special Education									
---	---	---	---	---		---	19,500	19,500	
Total Grants-in-Aid									
Distribution by Fund and Object									
Grants:									
---	---	---	---	---	07	---	15,000	15,000	
Autism In-District Program Grants									
---	---	---	---	---	07	---	4,500	4,500	
Special Education In-District Grants									
<u>STATE AID</u>									
Distribution by Fund and Program									
5,600,498	6,391	59,703	5,666,592	5,654,818	01	5,779,879	5,911,068	5,911,068	
598,227	650	---	598,877	598,227		143,947	394,935	394,935	
5,002,271	5,741	59,703	5,067,715	5,056,591		5,635,932	5,516,133	5,516,133	
(From General Fund)									
(From Property Tax Relief Fund)									
111,344	70	---	111,414	108,123	02	102,749	101,615	101,615	
Nonpublic School Aid									
85,420	59	4,487	89,966	89,670	03	108,870	89,120	89,120	
Miscellaneous Grants-In-Aid									
11,929	59	-1,113	10,875	10,631		23,641	4,941	4,941	
(From General Fund)									
73,491	---	5,600	79,091	79,039		85,229	84,179	84,179	
(From Property Tax Relief Fund)									
65,578	---	---	65,578	65,578	05	65,578	65,578	65,578	
Bilingual Education									
65,578	---	---	65,578	65,578		65,578	65,578	65,578	
(From Property Tax Relief Fund)									
199,512	---	---	199,512	199,512	06	199,512	199,512	199,512	
Programs for Disadvantaged Youths									
199,512	---	---	199,512	199,512		199,512	199,512	199,512	
(From Property Tax Relief Fund)									
948,420	---	---	948,420	948,418	07	948,420	948,420	948,420	
Special Education									
52,000	---	---	52,000	51,998		52,000	52,000	52,000	
(From General Fund)									
896,420	---	---	896,420	896,420		896,420	896,420	896,420	
(From Property Tax Relief Fund)									
7,010,772	6,520	64,190	7,081,482	7,066,119		7,205,008	7,315,313	7,315,313	
Total State Aid									
773,500	779	-1,113	773,166	768,979		322,337	553,491	553,491	
(From General Fund)									
6,237,272	5,741	65,303	6,308,316	6,297,140		6,882,671	6,761,822	6,761,822	
(From Property Tax Relief Fund)									

EDUCATION

Year Ending June 30, 2005					Year Ending June 30, 2007			
Orig. & (S)Supplemental	Reapp. & (R)Recpts.	Transfers & (E)Emergencies	Total Available	Expended	Prog. Class.	2006 Adjusted Approp.	Requested	Recommended
STATE AID								
<i>Less:</i>								
(73,576)	---	---	(73,576)	(73,576)		(73,576)	(73,576)	(73,576)
(14,500)	---	10,085	(4,415)	(4,415)				
						(2,450)	(8,450)	(8,450)
(88,076)	---	10,085	(77,991)	(77,991)		(76,026)	(82,026)	(82,026)
6,922,696	6,520	74,275	7,003,491	6,988,128		7,128,982	7,233,287	7,233,287
Distribution by Fund and Object								
State Aid:								
---	650	---	650	---		---	---	---
598,227	---	---	598,227	598,227	01	128,947	384,935	384,935
2,482,091	---	---	2,482,091	2,482,043	01	2,951,371	2,695,383	2,695,383
251,768	---	---	251,768	251,768	01	251,768	251,768	251,768
90,000	---	---	90,000	90,000	01	90,000	86,772	86,772
---	---	---	---	---	01	15,000	10,000	10,000
17,000	---	---	17,000	17,000	01	---	---	---
330,630	---	---	330,630	330,630	01	330,630	330,630	330,630
2,500	---	-2,500	---	---	01	---	---	---
15,621	---	---	15,621	15,621	01	15,621	15,621	15,621
111,626	---	---	111,626	111,626	01	111,626	111,626	111,626
5,250	---	---	5,250	5,250	01	5,250	5,250	5,250
1,231	---	---	1,231	1,231	01	1,231	1,231	1,231
2,491	---	---	2,491	2,491	01	2,491	2,491	2,491
11,402	---	---	11,402	11,402	01	11,402	11,402	11,402
18,295	---	---	18,295	18,295	01	18,295	18,295	18,295
130,127	---	---	130,127	130,127	01	130,127	129,684	129,684
1,298,414	5,741	75,166	1,379,321	1,372,273	01	1,449,495	1,545,540	1,545,540
182,400	---	---	182,400	179,753	01	192,400	243,200	243,200
15,000	---	-12,963	2,037	1,565	01	11,800 ^S	3,000	3,000
---	---	---	---	---	01	4,000	3,000	3,000
7,969	---	---	7,969	7,969	01	20,000	21,903	21,903
16,456	---	---	16,456	16,456	01	9,969	8,306	8,306
12,000	---	---	12,000	11,091	01	16,456	16,456	16,456
12,271	---	-287	11,984	11,984	01	12,000	17,575	17,575
26,789	---	5,830	32,619	32,619	02	12,271	10,279	10,279
34,912	---	---	34,912	34,912	02	29,322	32,032	32,032
7,226 ^S	70	-5,446	36,762	36,537	02	34,224	33,366	33,366
3,610	---	496	4,106	4,040	02	34,224	33,366	33,366
14,636	---	-393	14,243	14,243	02	4,396	4,694	4,694
					02	14,636	13,800	13,800

EDUCATION

Year Ending June 30, 2005					Year Ending June 30, 2007				
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended		2006 Adjusted Approp.	Requested	Recom- mended	
					Prog. Class.				
STATE AID									
7,900	---	-200	7,700	7,700	Nonpublic Technology Initiative	02	7,900	7,444	7,444
3,000	---	---	3,000	---	Nonpublic Capital Projects Aid	02	---	---	---
1,000	---	---	1,000	1,000	Settlement Music School	02	---	---	---
200	---	---	200	75	Emergency Fund	03	200	200	200
211	---	---	211	178	Evening School for the Foreign Born	03	211	211	211
10,500	---	1,268	11,768	11,745	Charter School Aid (PTRF)	03	11,758 500 ^S	12,258	12,258
5,500	---	-68	5,432	5,432	Charter Schools - Council on Local Mandates (PTRF)	03	8,300	10,500	10,500
125	---	---	125	125	EIRC - P20 Program	03	---	---	---
450	---	---	450	450	Educational Information and Resource Center	03	450	450	450
50	---	---	50	23	Bridge Loan Interest and Approved Borrowing Cost	03	50	50	50
21,400	---	4,500	25,900	25,900	Payments for Institutionalized Children - Unknown District of Residence (PTRF)	03	24,500 4,200 ^S	30,200	30,200
1,213	---	-1,213	---	---	High School Equivalency	03	---	---	---
30	---	---	30	30	Community Relations Committee of the United Jewish Federation of Metrowest	03	30	30	30
1,900	---	---	1,900	1,900	North Bergen School District - Facilities Leasing	03	---	---	---
750	---	---	750	750	Lawrence Township (Mercer) School District Extraordinary Aid	03	750	---	---
1,500	---	---	1,500	1,500	School District Of Trenton - Security	03	1,500	---	---
---	---	100	100	100	Character Education	03	---	---	---
4,750	---	-100	4,650	4,623	Character Education (PTRF)	03	4,750	---	---
2,500	---	---	2,500	2,498	Teacher Quality Mentoring (PTRF)	03	2,500	2,500	2,500
28,721	---	---	28,721	28,721	Adult and Postsecondary Education Grants (PTRF)	03	28,721	28,721	28,721
120	---	---	120	120	County Special Services Restoration Aid (PTRF)	03	---	---	---
---	7	---	7	---	Safe Schools and Communities Violence Prevention Pilot Plan	03	---	---	---
500	---	---	500	500	Montclair Board of Education - Desegregation Aid	03	500	---	---
1,000	---	---	1,000	1,000	Montclair Board of Education - Minority Student Achievement Network	03	1,000	---	---
---	52	---	52	---	Lakewood School District	03	---	---	---
4,000	---	---	4,000	4,000	Englewood Implementation Aid	03	4,000	4,000	4,000
---	---	---	---	---	Edison School District	03	1,000	---	---
---	---	---	---	---	Wallington School District	03	750	---	---
---	---	---	---	---	Ewing School District	03	2,200	---	---
---	---	---	---	---	Collingswood School District	03	1,000	---	---
---	---	---	---	---	School District Deficit Relief	03	10,000 ^S	---	---
65,578	---	---	65,578	65,578	Bilingual Education Aid (PTRF)	05	65,578	65,578	65,578
199,512	---	---	199,512	199,512	Demonstrably Effective Program Aid (PTRF)	06	199,512	199,512	199,512
896,420	---	---	896,420	896,420	Special Education Aid (PTRF)	07	896,420	896,420	896,420
52,000	---	---	52,000	51,998	Extraordinary Special Education Costs Aid	07	52,000	52,000	52,000

EDUCATION

Year Ending June 30, 2005					Year Ending June 30, 2007			
Orig. & (S) Supplemental	Reapp. & (R) Recpts.	Transfers & (E) Emergencies	Total Available	Total Expended	Prog. Class.	2006 Adjusted Approp.	Requested	Recommended
STATE AID								
<i>Less:</i>								
(88,076)	---	10,085	(77,991)	(77,991)		(76,026)	(82,026)	(82,026)
6,922,962	6,520	74,289	7,003,771	6,988,408		7,129,266	7,253,071	7,253,071
					OTHER RELATED APPROPRIATIONS			
					Federal Funds			
16,458								
438 ^S	2,360	---	19,256	15,688	Bilingual Education	05	19,897	
							307 ^S	21,530
298,061	28,325	-257	326,129	311,634	Programs for Disadvantaged Youths	06	301,584	287,296
								287,296
330,173	39,871	-239	369,805	332,025	Special Education	07	344,807	343,370
								343,370
<u>645,130</u>	<u>70,556</u>	<u>-496</u>	<u>715,190</u>	<u>659,347</u>	Total Federal Funds		<u>666,595</u>	<u>652,196</u>
<u>7,568,092</u>	<u>77,076</u>	<u>73,793</u>	<u>7,718,961</u>	<u>7,647,755</u>	GRAND TOTAL ALL FUNDS		<u>7,795,861</u>	<u>7,905,267</u>

Notes -- Direct State Services - General Fund

(a) The fiscal 2006 appropriation has been adjusted for the allocation of salary program.

Notes -- State Aid - Property Tax Relief Fund

(b) The fiscal 2005 data has been adjusted to reflect the consolidation of Education Access Aid and Education Opportunity Aid.

Language Recommendations -- State Aid - General Fund

The amount hereinabove appropriated for High Expectations for Learning Proficiency Aid shall be distributed to a school district, other than an "Abbott district" or a district receiving Abbott-Bordered District Aid, that is not a non-operating district as determined by the commissioner, and that is either (a) in district factor group A or B and has an equalized valuation per pupil less than \$380,000; (b) in district factor group A, B, CD or DE, and has a concentration of low-income pupils that is equal to or greater than 14 percent and has an equalized valuation per pupil that is less than \$750,000, and either has a general fund tax levy per pupil that exceeds \$9,000 or a concentration of low-income pupils that exceeds 30 percent; (c) contiguous to an "Abbott district" and has at least one school with a concentration of low-income pupils equal to or greater than 20 percent and has an equalized valuation per pupil that is less than \$750,000; or (d) a county vocational school district in which 51 percent or more of its resident enrollment is comprised of students who reside in an "Abbott district." Each such school district shall receive the same proportion of the appropriation as its October 2006 resident enrollment bears to the total October 2006 resident enrollment of all such districts. As used hereinabove, "district factor group" shall be determined by the commissioner using 2000 federal decennial census data; "equalized valuation per pupil" and "general fund tax levy per pupil" shall be as determined by the commissioner for the school year 2005-06; and "concentration of low-income pupils" shall be as defined in section 3 of P.L.1996, c.138 (C.18A:7F-3), except that ASSA data shall be as of October 2005.

Such sums received in the "School District Deficit Relief Account", established pursuant to pending legislation, including loan repayments, are appropriated, subject to the approval of the Director of the Division of Budget and Accounting.

The unexpended balance at the end of the preceding fiscal year in the School District Deficit Relief account is appropriated, subject to the approval of the Director of the Division of Budget and Accounting.

In the event that sufficient balances are not available in the "School District Deficit Relief Account" for amounts recommended by the Commissioner of Education to the State Treasurer for advance State Aid payments in accordance with pending legislation, the Director of the Division of Budget and Accounting is authorized to transfer such sums as required from available balances in State Aid accounts.

Receipts from nonpublic schools handicapped and auxiliary recoveries are appropriated for the payment of additional aid in accordance with section 17 of P.L.1977, c.192 (C.18A:46A-14) and section 14 of P.L.1977, c.193 (C.18A:46-19.8).

Notwithstanding the provisions of section 14 of P.L.1977, c.193 (C.18A:46-19.8) for the purpose of computing Nonpublic Handicapped Aid for pupils requiring the following services, the per pupil amounts for the 2006-2007 school year shall be: \$1,372.20 for an initial evaluation or reevaluation for examination and classification; \$380.00 for an annual review for examination and classification; \$930.00 for speech correction; and \$826.00 for supplementary instruction services.

Notwithstanding the provisions of section 9 of P.L.1977, c.192 (C.18A:46A-9), the per pupil amount for compensatory education for the 2006-2007 school year for the purposes of computing Nonpublic Auxiliary Services Aid shall equal \$856.25.

Notwithstanding the provisions of section 9 of P.L.1991, c.226 (C.18A:40-31), the amount appropriated hereinabove for Nonpublic Nursing Services Aid shall be made available to local school districts based upon the number of pupils enrolled in each nonpublic school on the last day prior to October 16, 2005 and the rate per pupil shall be \$74.25.

Nonpublic Technology Initiative aid shall be paid to school districts and allocated for nonpublic school pupils at the rate of \$40.00 per pupil in a manner that is consistent with the provisions of the federal and State constitutions.

The amount hereinabove appropriated for Extraordinary Special Education Costs Aid shall be charged first to receipts of the supplemental fee established pursuant to section 2 of P.L.2003, c.113 (C.46:15-7.1) credited to the Extraordinary Aid Account. Notwithstanding any provisions of that law to the contrary, the amount appropriated for Extraordinary Special Education Costs Aid from receipts deposited in the Extraordinary Aid account shall not exceed the amount appropriated hereinabove.

Language Recommendations -- State Aid - Property Tax Relief Fund

Notwithstanding any other law or regulation to the contrary, the amount provided to each district from the amounts hereinabove appropriated for Consolidated Aid and Additional Formula Aid shall be included in the calculation of the spending growth limitation pursuant to section 5 of P.L.1996, c.138 (C.18A:7F-5).

Notwithstanding any law to the contrary, the amount hereinabove appropriated for Additional Formula Aid shall be allocated in a manner that provides those districts that have not experienced a continued decline in enrollment with the amount payable for Additional Formula Aid in the 2005-2006 school year. Districts are defined as experiencing a continued decline in two categories: (1) any district in which the resident enrollment has declined or remained the same each year, starting with October 2001 and ending October 2005, or (2) any district in which the resident enrollment has declined or remained the same each year, starting with October 2002 and ending October 2005. A district in category (1) shall have its Additional Formula Aid allocation reduced by the sum of the percentage difference between the October 2005 enrollment and the October 2001 enrollment applied to its 2005-2006 allocation of Additional Formula Aid and the percentage difference between the October 2004 enrollment and October 2001 enrollment applied to its 2004-2005 allocation of Additional Formula Aid. A district in category (1) in which the total special education enrollment has declined or remained the same each year, starting with the October 2001 and ending October 2005, shall have its Additional Formula Aid allocation further reduced by the difference in the special education enrollment in October 2001 and October 2005 within each tier classification multiplied by the corresponding special education cost factor used in 2001-2002. A district in category (2) shall have its Additional Formula Aid allocation reduced by the sum of the percentage difference between the October 2005 enrollment and the October 2002 enrollment applied to its 2005-2006 allocation of Additional Formula Aid and the percentage difference between the October 2004 enrollment and October 2002 enrollment applied to its 2004-2005 allocation of Additional Formula Aid. A district in category (2) in which the total special education enrollment has declined or remained the same each year, starting with the October 2002 and ending October 2005, shall have its Additional Formula Aid allocation further reduced by the difference in the special education enrollment in October 2002 and October 2005 within each tier classification multiplied by the corresponding special education cost factor used in 2001-2002. For the purposes of this section, the October 2001 resident enrollment refers to the projected resident enrollment. All other resident enrollment figures refer to the actual resident enrollment based on the information reported to the Department on the Application for State School Aid for applicable year.

Notwithstanding any law to the contrary, the amount hereinabove appropriated for Consolidated Aid shall be allocated in a manner that provides those districts that have not experienced a continued decline in enrollment with the amount payable for Consolidated Aid in the 2005-2006 school year. Districts are defined as experiencing a continued decline in two categories: (1) any "non-Abbott district" in which the resident enrollment has declined or remained the same each year, starting with October 2001 and ending October 2005, or (2) any "non-Abbott district" in which the resident enrollment has declined or remained the same each year, starting with October 2002 and ending October 2005. A district in category (1) shall have its Consolidated Aid allocation reduced by the difference between the October 2005 enrollment and the October 2001 enrollment multiplied by \$44. A district in category (2) shall have its Consolidated Aid allocation reduced by the difference between the October 2005 enrollment and the October 2002 enrollment multiplied by \$44. For the purposes of this section, the October 2001 resident enrollment refers to the projected resident enrollment. All other resident enrollment figures refer to the actual resident enrollment based on the information reported to the Department on the Application for State School Aid for applicable year.

The Commissioner of Education shall not authorize the disbursement of funds to any "Abbott district" until the commissioner is satisfied that all educational expenditures in the district will be spent effectively and efficiently in order to enable those students to achieve the core curriculum content standards. The commissioner shall be authorized to take any necessary action to fulfill this responsibility, including but not limited to, the adoption of regulations related to the receipt and/or expenditure of State aid by the "Abbott districts" and the programs, services, and positions supported thereby. Notwithstanding any provision of P.L.1968, c.410 (C.52:14B-1 et seq.), any such regulations adopted by the commissioner shall be deemed adopted immediately upon filing with the Office of Administrative Law. In order to expeditiously fulfill the responsibilities of the commissioner under Abbott v. Burke, determinations by the commissioner hereunder shall be considered to be final agency action and appeal of that action shall be directly to the Appellate Division of the Superior Court.

Of the amount hereinabove appropriated for Education Opportunity Aid, an amount not to exceed \$13,731,000, shall be transferred to the Department of Education's operating budget, subject to the approval of the Director of the Division of Budget and Accounting, for the purpose of managing and supervising implementation of Abbott remedies. In addition, the unexpended balance at the end of the preceding fiscal year, in the Education Opportunity Aid account is appropriated for the same purpose and may also be transferred to the Department of Education's operating budget, subject to the approval of the Director of the Division of Budget and Accounting.

The amount appropriated hereinabove for Education Opportunity Aid shall provide resources to equalize spending between "I" and "J" districts and "Abbott districts," and provide aid to fund additional needs of "Abbott districts." Notwithstanding any other law to the contrary, Education Opportunity Aid shall be provided to each "Abbott district" whose per pupil regular education expenditure for 2006-2007 under P.L.1996, c.138 is below the estimated per pupil average regular education expenditure of districts in district factor groups "I" and "J" for 2006-2007. The minimum amount of aid shall be determined as follows: funds shall be allocated in the amount of the difference between each "Abbott district's" per pupil regular education expenditure for 2006-2007 and the actual per pupil average regular education expenditure of districts in district factor groups "I" and "J" for 2005-2006 indexed by the actual percentage increase in the per pupil average regular education expenditure of districts in district factor groups "I" and "J" for 2005-2006 over the per pupil average regular education expenditure of districts in district factor groups "I" and "J" for 2004-2005. In calculating the per pupil regular education expenditure of each "Abbott district" for 2006-2007, regular education expenditure

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shall equal the sum of the general fund tax levy for 2005-2006, Core Curriculum Standards Aid, Supplemental Core Curriculum Standards Aid, and all forms of stabilization aid pursuant to section 10 of P.L.1996, c.138 (C.18A:7F-10); enrollments shall initially be those resident enrollments for preschool through grade 12 contained on the Application for State School Aid for 2006-2007 indexed by the district's enrollment growth rate used to determine the estimated enrollments of October 2006; enrollments shall be calculated at their full-time equivalent and reduced by preschool and one half of full-day kindergarten enrollments. State aid shall be adjusted upon receipt of resident enrollment for the "Abbott districts" as of October 13, 2006 as reflected on the Application for State School Aid for 2007-2008. In calculating the actual per pupil regular education expenditure of each "Abbott district" for 2006-2007, regular education expenditure shall equal the sum of the actual general fund tax levy for 2006-2007, Core Curriculum Standards Aid, Supplemental Core Curriculum Standards Aid, and all forms of stabilization aid pursuant to section 10 of P.L.1996, c.138 (C.18A:7F-10). State aid shall also be adjusted based on the actual per pupil average regular education expenditure of districts in district factor groups "I" and "J" for 2006-2007. In calculating the actual per pupil average regular education expenditure of districts in district factor groups "I" and "J" for 2006-2007, regular education expenditure shall equal the sum of the general fund tax levy for 2006-2007, Core Curriculum Standards Aid, Supplemental Core Curriculum Standards Aid, and all forms of stabilization aid pursuant to section 10 of P.L.1996, c.138 (C.18A:7F-10); enrollments shall be the resident enrollment for preschool through grade 12 as of October 13, 2006 as reflected on the Application for State School Aid for 2007-2008; enrollments shall be calculated at their full-time equivalent and reduced by preschool and one half of full-day kindergarten enrollments in districts receiving Early Childhood Program Aid.

Of the amount hereinabove appropriated for Education Opportunity Aid, each "Abbott district's" allocation shall be the greater of the amount calculated in accordance with the provisions hereinabove for equalized spending or the district's final adjusted 2005-2006 Education Opportunity Aid, including any supplemental award. The district's Education Opportunity Aid allocation shall be reduced by an amount equal to any general fund tax levy increase required by the commissioner. After calculating the "Abbott district's" actual regular education expenditure, State aid shall be reduced by the difference between the required general fund tax levy increase and the total general fund tax levy increase from 2005-2006 to 2006-2007.

The amount hereinabove appropriated for Education Opportunity Aid shall also be used to ensure that every "Abbott district" is at parity and to implement other priorities as established by the commissioner. Any "Abbott district" that fails to submit any required documentation or fails to submit its annual audit by November 15, 2006 may have its State aid withheld upon the commissioner's request to the Director of the Division of Budget and Accounting.

Notwithstanding any other law to the contrary, as a condition of receiving Education Opportunity Aid, an "Abbott district" shall examine all available group options for every insurance policy held by the district, including any self-insurance plan administered by the New Jersey School Boards Association Insurance Group on behalf of districts, and shall participate in the most cost effective plans. As a further condition, all "Abbott districts" shall take steps to maximize the district's participation in the federal Universal Service Program (E-rate) and the ACT telecommunications program offered through the New Jersey Association of School Business Administrators, shall participate in the ACES energy program offered through the New Jersey School Boards Association unless a district can demonstrate that it receives the goods or services at a cost less than or equal to the cost achieved by participants, and shall take appropriate steps to maximize the district's participation in the Special Education Medicaid Initiative (SEMI) program, with maximum participation defined by the Commissioner of Education and shall refinance all outstanding debt for which a three percent net present value savings threshold is achievable. An "Abbott district" that fails to meet any of these requirements may have payment of Education Opportunity Aid withheld until such time as these requirements are met. The commissioner is authorized to establish any additional condition on the disbursement of Education Opportunity Aid that the commissioner deems appropriate to ensure effective and efficient spending in the "Abbott districts."

Notwithstanding any other law to the contrary, as a condition of receiving Education Opportunity Aid, an "Abbott district" shall raise a general fund tax levy which shall be no less than the sum of the general fund tax levy raised in 2005-2006 and the increase in the levy from 2005-2006 to 2006-2007 that may be required by the commissioner. The required levy increase shall be such that an "Abbott district's" total equalized tax rate shall not be below 110% of the state average total equalized tax rate unless such increase would result in an increase in the average household's tax liability of more than \$125 when using the 2005 tax data as published by the Department of Community Affairs.

Notwithstanding any law to the contrary, the allocation of the amount hereinabove appropriated for Education Opportunity Aid to an "Abbott district" shall be reduced by the amount of proceeds received by the district from the sale of district surplus property, which shall be appropriated by the district for regular education operations. Surplus property means that property which is not being replaced by other property under a grant agreement with the New Jersey Schools Construction Corporation.

The amount appropriated hereinabove as Abbott Preschool Expansion Aid is for the purpose of funding the increase in the approved budgeted costs from 2001-2002 to 2006-2007 for the projected expansion of preschool programs in "Abbott districts" with "Abbott" status in 2001-2002. For any district receiving "Abbott" status after 2001-2002, the increase in approved budgeted costs for the purpose of funding will be based on the year "Abbott" status was obtained. Payments of Abbott Preschool Expansion Aid shall be based on documented expansion of the preschool program. Upon the Commissioner of Education's request, "Abbott districts" will be required to provide such supporting documentation as deemed necessary to verify that the actual expansion in the preschool program has occurred in the 2006-2007 fiscal year. Such documentation may include expenditure, enrollment, and attendance data that may be subject to an audit. Appropriate adjustments to a district's Abbott Preschool Expansion Aid amount may be made by the commissioner based on actual need.

From the amount appropriated hereinabove for the Early Launch to Learning Initiative, an amount not to exceed \$325,000 shall be transferred to the Office of Early Childhood Education in direct state services for the support of two staff persons and related operational costs to administer the program, subject to the approval of the Director of the Division of Budget and Accounting.

Notwithstanding any law to the contrary, any district that received State aid pursuant to P.L. 2005, c.122 in 2005-2006, shall receive that same allocation of Abbott-Bordered District Aid in 2006-2007. Any district that did not receive Abbott-Bordered District Aid

pursuant to section 2 of P.L. 2005, c.122 shall receive aid as determined by section 1 of P.L. 2005, c.122 as it would have been calculated in 2005-2006.

Notwithstanding any other law or regulation to the contrary, district allocations from the amount hereinabove appropriated for School Choice aid shall be calculated using the choice district's October 2005 actual choice student enrollment as reported to the Department on the Application for State School Aid for 2006-2007.

The amount hereinabove appropriated for Above Average Enrollment Growth Aid shall be distributed to "non-Abbott districts" whose resident enrollment for the 2005-2006 school year was equal to or greater than 100 pupils and whose projected resident enrollment for the 2006-2007 school year exceeds its resident enrollment for the 2005-2006 school year by at least 2.5 percent, as determined by the commissioner. Each such school district shall receive the same proportion of the total appropriation as its projected resident enrollment increase between October 2005 and October 2006 bears to the total resident enrollment increase of all such districts.

Notwithstanding any law to the contrary, amounts appropriated hereinabove for Charter School aid shall be used to distribute aid to any charter school which operates a full-day kindergarten program and which is located in an "Abbott district" in accordance with the formula contained in section 1 of P.L.1999, c.385, except that "KPP" which is defined therein as the amount paid by the district to the charter school for each kindergarten pupil pursuant to section 12 of P.L.1995, c.426 (C.18A:36A-12), shall be the sum of the amount paid by the district and the State to the charter school for each kindergarten pupil; when a charter school is located in an "Abbott district," to distribute an amount equal to the difference between the per pupil T&E amount for a given grade level and the program budget of an "Abbott district" when that "Abbott district's" program budget is below the T&E amount; to distribute \$40 for each student enrolled in the charter school; and to distribute aid to charter schools pursuant to the provisions of subsection d. of section 12 of P.L.1995, c.426 (C.18A:36A-12).

Notwithstanding the provisions of section 12 of P.L.1995, c.426 (C.18A:36A-12) and any other provision to the contrary, if necessary, the State shall pay on behalf of a resident district an amount not to exceed the difference between the district's 2006-2007 total actual charter school payment and the estimated appropriations used in completing the school district's 2005-2006 budget as stated in the 2005-2006 Potential Charter School Aid notification letter.

Notwithstanding any other law to the contrary, the amount of State aid made available to the Department of Human Services pursuant to "The State Facilities Education Act of 1979," P.L.1979, c.207 (C.18A:7B-1 et al.), to defray the costs of educating eligible children in approved private schools under contract with the Department of Human Services shall not exceed the actual costs of the education of those children in such private schools.

Notwithstanding any other law to the contrary, Special Education Aid for pupils classified as severe cognitive impairment shall be paid directly to the resident school district; provided however, that for pupils under contract for service in a regional day school operated by or under contract with the Department of Human Services, tuition shall be withheld and paid to the Department of Human Services.

Notwithstanding the provisions of section 3 of P.L.1971, c.271 (C.18A:46-31), a portion of the district tuition amounts payable to a county special services school district operating an extended school year program may be transferred to the county special services school district prior to the first of September in the event the board shall file a written request with the Commissioner of Education stating the needs for the funds. The commissioner shall review the board's request and determine whether to grant the request after an assessment of whether the district needs to spend the funds prior to September and after considering the availability of district surplus. The commissioner shall transfer the payment for the portion of the tuition payable for which need has been demonstrated.

30. EDUCATIONAL, CULTURAL, AND INTELLECTUAL DEVELOPMENT

32. OPERATION AND SUPPORT OF EDUCATIONAL INSTITUTIONS

OBJECTIVES

1. To provide preschool, elementary, middle, and comprehensive high school programs for deaf and multiply disabled students whose primary disability is deafness.
2. To provide regional facilities for the education of disabled students.
3. To implement the Katzenbach Center on Deafness to provide services to deaf and hard of hearing persons of all ages in order to enhance their quality of life and to assist them in maximizing their potential.

school's operating costs are supported by State appropriation and tuition.

Regional Schools for the Handicapped are authorized by the State Facilities for the Handicapped Bond Fund (Chapter 149, Laws of 1973). Funds were used for the construction of eleven regional schools to provide educational services to children with severe disabilities. The first schools opened in the fall of 1981, and by September 1984 all eleven schools were serving children. All of the schools are managed by local school districts, under contract, and are funded entirely by receipts from the sending school districts.

PROGRAM CLASSIFICATIONS

12. **Marie H. Katzenbach School for the Deaf.** The Marie H. Katzenbach School for the Deaf provides educational and vocational services to deaf and multiply disabled deaf children from birth through twelfth grade. Residential services will be provided to nearly 42 percent of the school's 224 students on a five-day-a-week basis. Special programs to broaden the population served by the school include preschool age deaf, adult deaf, emotionally disturbed and deaf-blind students. The

13. **Positive Learning Understanding Support Program.** The PLUS program will continue for its tenth year with a projected enrollment of 10 students. Four residential pupils will participate for ten months. The PLUS program responds to the needs of deaf and hard-of-hearing students with behavioral difficulties. This program provides educational services that address the social, cultural, behavioral, and psychological needs of students in elementary through high school who also have emotional disturbances. Tuition paid by the districts that send these children to the Katzenbach School will fully support the costs of the program.

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EVALUATION DATA

	Actual FY 2004	Actual FY 2005	Revised FY 2006	Budget Estimate FY 2007
PROGRAM DATA				
Marie H. Katzenbach School for the Deaf				
Annual Enrollment	214	226	211	224
Day Pupils	121	126	123	131
Residential Pupils	93	100	88	93
Gross Annual Cost Per Student	\$51,238	\$56,858	\$58,919	\$59,393
Annual Payments From Local School Boards				
For Regular Day Pupils	\$29,329	\$30,209	\$31,115	\$32,049
For Residential Pupils	\$36,031	\$37,112	\$38,225	\$39,372
Direct Annual State Support Per Student	\$13,299	\$13,146	\$14,924	\$14,571
Annual Graduates	21	24	27	16
Annual Graduates Enrolled in College	9	8	5	6
Annual Graduates Employed	12	16	22	10
Regional Schools for the Handicapped				
Annual Enrollment in Schools Operated Under Contract	1,076	1,051	1,038	960

PERSONNEL DATA

Position Data

Filled Positions by Funding Source

State Supported	27	24	31	31
Federal	14	14	15	13
All Other	163	163	184	188
Total Positions	204	201	230	232

Filled Positions by Program Class

Marie H. Katzenbach School for the Deaf	191	186	217	217
Positive Learning Understanding Support Program	13	15	13	15
Total Positions	204	201	230	232

Notes:

Actual payroll counts are reported for fiscal years 2004 and 2005 as of November and Revised fiscal year 2006 as of March. The Budget Estimate for fiscal year 2007 reflects the number of positions funded.

APPROPRIATIONS DATA (thousands of dollars)

Year Ending June 30, 2005					Year Ending June 30, 2007			
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended	Prog. Class.	2006 Adjusted Approp.	Requested	Recom- mended
<u>DIRECT STATE SERVICES</u>								
Distribution by Fund and Program								
2,899	10,169	---	13,068	12,850	12	12,432	13,304	13,304
2,899	74	---	2,973	2,971		3,149	3,264	3,264
---	10,095	---	10,095	9,879		9,283	10,040	10,040
---	773	---	773	696				
---	773	---	773	696	13	686	787	787
						686	787	787
2,899	10,942	---	13,841	13,546		13,118 ^(a)	14,091	14,091
---	(10,868)	---	(10,868)	(10,575)		(9,969)	(10,827)	(10,827)
2,899	74	---	2,973	2,971		3,149	3,264	3,264

EDUCATION

Year Ending June 30, 2005					Year Ending June 30, 2007			
Orig. & (S) Supplemental	Reapp. & (R) Recpts.	Transfers & (E) Emergencies	Total Available	Expended	Prog. Class.	2006 Adjusted Approp.	Requested	Recommended
<u>DIRECT STATE SERVICES</u>								
Distribution by Fund and Object								
Personal Services:								
1,425	200 8,791 ^R	---	10,416	10,351	Salaries and Wages	10,509	11,176	11,176
<u>1,425</u>	<u>8,991</u>	<u>---</u>	<u>10,416</u>	<u>10,351</u>	<i>Total Personal Services</i>	<u>10,509</u>	<u>11,176</u>	<u>11,176</u>
815	11 500 ^R	---	1,326	1,260	Materials and Supplies	1,133	1,439	1,439
193	27 172 ^R	---	392	351	Services Other Than Personal	335	335	335
295	114 403 ^R	---	812	691	Maintenance and Fixed Charges	690	690	690
40	---	---	40	40	Special Purpose:			
					Transportation Expenses for Students	12	40	40
131	76 648 ^R	---	855	853	Additions, Improvements and Equipment	411	411	411
---	(10,868)	---	(10,868)	(10,575)	<i>Less:</i>			
					All Other Funds	(9,969)	(10,827)	(10,827)
<u>CAPITAL CONSTRUCTION</u>								
Distribution by Fund and Program								
---	558	---	558	48	Marie H. Katzenbach School for the Deaf	12	---	1,950
<u>---</u>	<u>558</u>	<u>---</u>	<u>558</u>	<u>48</u>	<i>Total Capital Construction</i>	<u>---</u>	<u>1,950</u>	<u>1,950</u>
Distribution by Fund and Object								
Marie H. Katzenbach School for the Deaf								
---	10	-10	---	---	Re-roofing of Various Buildings	12	---	---
---	168	---	168	---	Fire Protection	12	1,950	1,950
---	121	---	121	---	Bathroom Renovations	12	---	---
---	105	---	105	22	Small Capital Projects			
					Contingency	12	---	---
---	5	---	5	---	Upgrade Campus Lighting	12	---	---
---	149	-149	---	---	Sprinkler Systems	12	---	---
---	---	106	106	---	Boiler System Upgrades	12	---	---
<u>---</u>	<u>---</u>	<u>53</u>	<u>53</u>	<u>26</u>	Lower School Air Conditioning Project	12	---	---
<u>2,899</u>	<u>632</u>	<u>---</u>	<u>3,531</u>	<u>3,019</u>	<i>Grand Total State Appropriation</i>	<u>3,149</u>	<u>5,214</u>	<u>5,214</u>
OTHER RELATED APPROPRIATIONS								
---	10,868	---	10,868	10,575	<i>Total All Other Funds</i>	9,969	10,827	10,827
Federal Funds								
554	100	236	890	572	Marie H. Katzenbach School for the Deaf	12	826	793
<u>554</u>	<u>100</u>	<u>236</u>	<u>890</u>	<u>572</u>	<i>Total Federal Funds</i>	<u>826</u>	<u>793</u>	<u>793</u>
<u>3,453</u>	<u>11,600</u>	<u>236</u>	<u>15,289</u>	<u>14,166</u>	GRAND TOTAL ALL FUNDS	<u>13,944</u>	<u>16,834</u>	<u>16,834</u>

Notes -- Direct State Services - General Fund

(a) The fiscal year 2006 appropriation has been adjusted for the allocation of salary program.

Language Recommendations -- Direct State Services - General Fund

Notwithstanding the provisions of N.J.S.18A:61-1 and N.J.S.18A:46-13, or any other statute, in addition to the amount appropriated hereinabove to the Marie H. Katzenbach School for the Deaf for the 2006-2007 academic year, payments from local boards of education to the school at an annual rate and payment schedule adopted by the Commissioner of Education and the Director of the Division of Budget and Accounting are appropriated.

Any income from the rental of vacant space at the Marie H. Katzenbach School for the Deaf is appropriated for the operation and maintenance cost of the facility and for capital costs at the school, subject to the approval of the Director of the Division of Budget and Accounting.

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The unexpended balance at the end of the preceding fiscal year, in the receipt account of the Marie H. Katzenbach School for the Deaf is appropriated for expenses of operating the school.

The unexpended balance at the end of the preceding fiscal year, in the receipt account of the Positive Learning Understanding Support (PLUS) program is appropriated for the expenses of operating the Marie H. Katzenbach School for the Deaf.

30. EDUCATIONAL, CULTURAL, AND INTELLECTUAL DEVELOPMENT 33. SUPPLEMENTAL EDUCATION AND TRAINING PROGRAMS

OBJECTIVES

1. To provide quality educational programs that further develop the academic, vocational, and technical skills of vocational-technical education students through high standards.
2. To provide quality programs to New Jersey students to assist them in clarifying career goals, exploring career possibilities, experiencing career applications of academic knowledge and skills, developing employability skills, and obtaining other skills necessary to function in a technological society.
3. To facilitate the planning, implementation and expansion of transition programs, activities or services for vocational-technical students to support linkages between secondary and postsecondary vocational, technical, and career programs, including two-year and four-year collegiate programs.
4. To provide students strong experience in and understanding of all aspects of an industry, including the academic, technical, and technological requirements for career development and lifelong learning.
5. To provide professional development and technical assistance to vocational and technical educators.

In order for the State to qualify to receive federal grant money under the Perkins Act, New Jersey is required to provide a maintenance of effort equal to, or greater than, the amount of effort in the prior fiscal year. Failure to provide such maintenance of effort disqualifies a state from receipt of Perkins money.

These combined funds allow the State to maintain, in cooperation with business, industry and labor, quality vocational education programs, by providing consultation, technical assistance, and regulatory services to public and private educational agencies.

The Department also develops new and innovative vocational, technical, and career education programs; provides in-service training for vocational teachers; conducts program evaluations; develops occupational competencies; provides administrative services for the Office of Vocational-Technical Career and Adult Programs; maintains liaison with agencies and personnel on the local, State, and federal levels; and develops the annual revisions of the State Plan for Vocational Education. These activities maximize educational opportunities and minimize costly duplication of effort.

General vocational education is paid (N.J.S.A. 18A:58-34 et seq.) to local school districts according to the following criteria: (a) the State may grant up to 100% of approved expenditures for new and innovative projects, and (b) expenditures for the improvement of vocational programs conducted under Public Law 101-392, subject to federal mandates requiring that special populations be given full opportunity to participate in vocational programs.

County Vocational Program Aid--Categorical aid is paid to county vocational school districts on a per pupil basis for all pupils enrolled in the district.

PROGRAM CLASSIFICATIONS

20. **General Vocational Education.** To assist the State in attaining the objectives stated above in assuring a well-trained quality workforce, the federal government provides funds to conduct State occupational program administrative activities. To be eligible for these monies under the Carl D. Perkins Vocational and Technical Education Act, the State must match this federal grant award on a dollar for dollar basis (P.L. 105-332).

EVALUATION DATA

	Actual FY 2004	Actual FY 2005	Revised FY 2006	Budget Estimate FY 2007
PROGRAM DATA				
General Vocational Education				
Secondary Vocational Education				
Annual Enrollments	104,873	121,200	140,069	161,875
Annual Graduates or Completions	28,438	32,680	37,555	43,156
Annual Grade 11-12 Occupational Program Enrollments	53,617	61,026	69,459	79,058
PERSONNEL DATA				
Position Data				
Filled Positions by Funding Source				
State Supported	3	4	6	5
Federal	25	25	25	24
All Other	1	1	---	---
Total Positions	29	30	31	29
Filled Positions by Program Class				
General Vocational Education	29	30	31	29
Total Positions	29	30	31	29

Notes:

Actual payroll counts are reported for fiscal years 2004 and 2005 as of December and Revised fiscal 2006 as of March. The Budget Estimates for fiscal 2007 reflect the number of positions funded.

APPROPRIATIONS DATA
(thousands of dollars)

Year Ending June 30, 2005					Year Ending June 30, 2007			
Orig. & (S) Supplemental	Reapp. & (R) Recpts.	Transfers & (E) Emergencies	Total Available	Total Expended	Prog. Class.	2006 Adjusted Approp.	Requested	Recommended
DIRECT STATE SERVICES								
Distribution by Fund and Program								
277	---	-42	235	235	20	266	266	266
277	---	-42	235	235		266 ^(a)	266	266
Distribution by Fund and Object								
Personal Services:								
226	---	-42	184	184		215	215	215
226	---	-42	184	184		215	215	215
26	---	---	26	26		26	26	26
25	---	---	25	25		25	25	25
STATE AID								
Distribution by Fund and Program								
43,808	---	---	43,808	43,808	20	43,808	43,808	43,808
4,860	---	---	4,860	4,860		4,860	4,860	4,860
38,948	---	---	38,948	38,948		38,948	38,948	38,948
43,808	---	---	43,808	43,808		43,808	43,808	43,808
4,860	---	---	4,860	4,860		4,860	4,860	4,860
38,948	---	---	38,948	38,948		38,948	38,948	38,948
Distribution by Fund and Object								
State Aid:								
4,860	---	---	4,860	4,860	20	4,860	4,860	4,860
38,948	---	---	38,948	38,948	20	38,948	38,948	38,948
44,085	---	-42	44,043	44,043		44,074	44,074	44,074
OTHER RELATED APPROPRIATIONS								
Federal Funds								
26,363	2,705	61	29,129	25,511	20	26,620	25,767	25,767
26,363	2,705	61	29,129	25,511		26,620	25,767	25,767
All Other Funds								
---	555	---	555	397	20	---	---	---
---	555	---	555	397		---	---	---
70,448	3,260	19	73,727	69,951		70,694	69,841	69,841

Notes -- Direct State Services - General Fund

(a) The fiscal 2006 appropriation has been adjusted for the allocation of salary program.

30. EDUCATIONAL, CULTURAL, AND INTELLECTUAL DEVELOPMENT

34. EDUCATIONAL SUPPORT SERVICES

OBJECTIVES

1. To ensure that all schools and districts meet State standards for a thorough and efficient system of education, pursuant to the Comprehensive Educational Improvement and Financing Act of 1996 and other laws and regulations.
2. To provide curriculum leadership for local school districts in various instructional areas.
3. To establish curriculum frameworks, which can guide the districts' instructional decisions for schools and teachers in designing programs to meet the content standards in all subject areas.
4. To create comprehensive assessments that will measure students' progress toward achieving the new content standards.
5. To design and implement mandated professional development for teachers and school leaders to enable them to accomplish these new educational initiatives in schools and districts throughout the state.
6. To approve college teacher training programs based on professional standards and issue educational certificates upon verification of eligibility.
7. To provide oversight and guide implementation of the Charter School Program Act of 1995.
8. To ensure that young children are ready to learn the Core Curriculum Content Standards in all districts receiving Early Childhood Program Aid, including districts that have contracted services from Department of Human Services-licensed child care providers.
9. To successfully implement the equal educational opportunity mandates of the New Jersey Supreme Court in *Abbott v. Burke*.
10. To provide technical and financial assistance for transportation of public and nonpublic students at minimum expense to the State and local school districts.
11. To ensure provision of suitable educational facilities in local school districts through inspections and financial assistance.
12. To assist the schools in understanding the comprehensive and challenging K-12 curriculum content areas and communicate the depth and scope of the standards and frameworks.
13. To maximize resources to support the Department's mission and priorities; to assure accountability for use of the Department's grant resources.
14. To provide program resources, technical assistance and demonstration projects supporting school efforts to reduce student violence and disruption, so that school environments are safe, disciplined, and conducive to learning.

PROGRAM CLASSIFICATIONS

30. **Educational Programs and Assessment.** Coordinates standards-based reform initiatives to improve teaching and learning; identifies and promotes research-based programs to assist school improvement and other innovation efforts, including early literacy initiatives and gifted and talented programs; coordinates with the higher education community to ensure that there are sufficient numbers of highly qualified teachers; and oversees the statewide assessment program.

To ensure that New Jersey's students are prepared for lives as productive citizens, Core Curriculum Content Standards

(CCCS) have been adopted in mathematics, language arts literacy (reading, writing, listening, viewing and speaking), science, the arts, social studies, world languages, gifted education, comprehensive health/physical education, technological literacy, and career education and consumer, family and life skills. Supporting the CCCS, curriculum frameworks have been developed to help teachers help their students to master the knowledge and skills identified in the standards. Professional development requirements are in place for teachers and administrators. To maintain currency in their fields, all teachers are required to complete 100 hours of State-approved continuing education every five years effective September 2000. A similar professional development requirement for school leaders was implemented in 2004. Additional professional development initiatives include the National Board for Professional Teaching Standards subsidy program and the State Action for Education Leadership Project (SAELP).

Research-based programmatic initiatives include the Governor's Literacy Initiative and the federal Reading First program, both geared at ensuring that all children read at or above grade level by the end of the third grade. The Charter School Program Act of 1995 allows for the creation of new types of public schools to provide parents and students with a variety of educational options. Charter schools are designed to stimulate reform in the traditional public school system and serve as one of the State's strategies to bring about significant improvements in student achievement. The Inter-district Public School Choice Program provides options for parents and students in participating districts.

To ensure that New Jersey has sufficient numbers of highly qualified teachers, several strategies are employed, including partnerships with college and university placement offices and a public relations campaign promoting careers in education. The division is working collaboratively with key higher education administrators and faculty to ensure the success of this program. The teacher quality preparation initiatives unit provides services to the higher education community in areas such as, but not limited to, review of teacher education programs, accreditation, and the teacher quality initiative.

The statewide assessment program includes testing in language arts literacy and mathematics in grades 3 through 8 and at the high school level. Science assessments, already in place for grades 4 and 8, will be included in the high school assessment beginning in 2006. The Alternate Proficiency Assessment is administered to students with severe cognitive disabilities. All assessments are based on the Core Curriculum Content Standards in the academic areas being assessed. For individuals aged 16 or older who are no longer enrolled in school, the General Education Development (GED) assessment process provides an opportunity to earn a New Jersey high school diploma.

31. **Grants Management.** Establishes and maintains systems to acquire, manage and distribute approximately \$780 million in State and federal grant funds to school districts, colleges, community-based organizations and other eligible grant recipient agencies in a manner that supports initiatives that enhance the educational experience of children and adult learners and that promote statewide educational excellence. The grant management systems ensure efficiency, accountability and integrity in the management of the Department's subgrant funds. The Office of Grants Management provides

assistance to program units in the development of requests for proposals, guidelines and applications. Specifically, this office coordinates application receipt, evaluation/review, and notifications; award management, contract modification, and carryover approvals; and audit controls including central file maintenance and public records. The Office of Grant Appeals and Funding Acquisition facilitates the Department's efforts to identify and obtain new resources, to coordinate or consolidate existing resources to support educational priorities, and to resolve appeals related to the grants management process.

32. **Professional Development and Licensure.** Assures that educational personnel meet minimum professional qualifications (N.J.S.A. 18A:6-38 et seq.) by setting standards for approval of teacher education programs; providing professional assistance to establish, evaluate and approve college programs which lead to licensure; providing technical assistance to county and district offices; coordinating the employment and training of professional educators; determining licensure eligibility for in-state and out-of-state applicants; issuing professional certificates, and evaluating existing certificates. The Office of Licensure and Credentials, which also administers the State Board of Examiners, is supported by a fee structure.
33. **Service to Local Districts.** Consists of the following regulatory functions: the tasks of educational planning and evaluation/accreditation (required by N.J.S.A. 18A:7A-1 et seq.); accelerated intervention of Level II districts, including an external team review, report, and approval of corrective action plans and quarterly progress reports; review and approval of school district budgets for all districts receiving early childhood and demonstrably effective program aid, audits and spending growth limitation increases; supervision of school and special elections; review and approval of private schools for the disabled; and oversight of transportation, teacher certification and reporting procedures. These functions are performed by the Department's county and regional offices, which also maintain liaison between the local school districts and the Department.
35. **Early Childhood Education.** Responsible for the oversight of early childhood education statewide, including the development, administration and implementation of early childhood education and coordination with other K-12 initiatives. The Office of Early Childhood Education coordinates policy, program development, and evaluation for early childhood education in accordance with State mandates. The office has developed Abbott Preschool Program Implementation Guidelines that provide instructions for districts on developing their program plans to assure accountability and implementation of early childhood programs. The office provides technical support and oversight to school districts; reviews literature; collaborates with other State departments and State and national experts on early childhood education; organizes and facilitates the delivery of professional development; and develops evaluation data to track the progress and implementation of early childhood education programs.
36. **Pupil Transportation.** Monitors, analyzes and evaluates local districts' transportation systems and records in order to increase the safety, cost-effectiveness and accountability of transportation operations. Develops safety education programs and provides technical assistance to local boards of education to promote safety and to efficiently administer

transportation services. The Department trains county and local district personnel to administer transportation services according to statute and code. Transportation Aid is provided to local school districts for students who are required to be transported according to N.J.S.A. 18A:39-1 et seq. and N.J.S.A. 18A:46-23 as amended, based on the efficient costs of transporting pupils. The efficient costs are based on per-pupil allocations for pupils with and without special transportation requirements, and adjusted for the average distance pupils reside from school, and an incentive factor.

37. **Abbott Implementation.** Created to bring together the Department's activities supporting the implementation of the Abbott v. Burke decisions, the Abbott Implementation Division focuses on high quality early childhood education for 3 and 4 year-olds that will ensure that every child will be reading at or above grade level by the end of third grade; literacy instruction and a literacy-rich curriculum in the primary grades; small classes; the development of research-based educational programs designed to close the achievement gap between urban and suburban students; continuous school improvement through the use of a data-driven accountability system; standards-driven school improvement to ensure that every student is provided the opportunity to achieve the Core Curriculum Content Standards; professional development focused on improving classroom instruction; collaboration with all stakeholders, including the Education Law Center, district and school staff, parents, and representatives from higher education, professional organizations and the community at large; school-based decision-making relying on fruitful collaboration and cooperation with the district's central office; and fiscal accountability to improve efficiency and effectiveness of Abbott spending. The Abbott Implementation Division also oversees the three State-operated school districts (Newark, Paterson, and Jersey City), as well as Abbott-related activities of the Office of Early Childhood Education.
38. **Facilities Planning and School Building Aid.** Approves architectural review, master plans, and site acquisitions; evaluates facilities for educational adequacy, health and safety; and periodically surveys public school buildings. Reviews and approves long-range facilities plans, as well as applications for school facilities projects. Project review includes the determination of consistency with the district's long-range plan and compliance with facilities efficiency standards and area allowances per FTE student derived from those standards. Based on that review, the preliminary eligible costs for State financing will be calculated. School Building Aid provides State support for debt service on projects approved prior to the enactment of the Educational Facilities Construction and Financing Act of 2000 (EFCFA). The School Construction and Renovation Fund provides for State debt service and increased aid for local debt for school construction projects approved under the provisions of EFCFA.
39. **Teachers' Pension and Annuity Assistance.** The State provides the employer's share to the Teachers' Pension and Annuity Fund (N.J.S.A. 18A:66-33) in amounts actuarially determined by using experience of the preceding year as certified to the Governor by the Fund's Board of Trustees. All public school teachers are required to contribute to the Fund, except for optional participation of certain persons based on age, veteran's status or teacher status prior to specified dates. Janitorial employees of local boards of education also are covered.

EDUCATION

40. Health, Safety, and Community Services. Provides statewide leadership to assist school districts in promoting positive student development and behavior. Specifically, the Department develops and implements policy and programs in the following areas: violence prevention and school security, substance abuse prevention and education, comprehensive health education, suicide prevention, school health services, HIV/AIDS education, family life education, bilingual education, character education, equal education opportunities, adult literacy, and basic skills.
Holocaust and Genocide Education was mandated by the State

Legislature in 1994. The New Jersey Commission on Holocaust Education has as its central mission the study, development, recommendation and dissemination of curricular materials to local school districts on a wide range of genocides, with the goal of eradicating ethnic and racial intolerance, and fostering tolerance for cultural diversity. The Commission coordinates activities to assist districts in implementing the mandate, including the dissemination of instructional materials, the provision of staff training, and the establishment of Holocaust Education demonstration sites.

EVALUATION DATA

	Actual FY 2004	Actual FY 2005	Revised FY 2006	Budget Estimate FY 2007
PROGRAM DATA				
Educational Programs and Assessment				
High School Proficiency Assessment - Mathematics				
Students Ranked Proficient	24.5%	28.4%	29.0%	29.0%
Students Ranked Advanced Proficient	45.5%	47.1%	49.0%	49.0%
Students Ranked Partially Proficient	30.0%	24.5%	22.0%	22.0%
High School Proficiency Assessment - Language Arts Literacy				
Students Ranked Proficient	17.2%	16.8%	17.0%	17.0%
Students Ranked Advanced Proficient	65.0%	63.6%	64.0%	64.0%
Students Ranked Partially Proficient	17.8%	19.6%	19.0%	19.0%
High School Equivalency				
Adults Enrolled	13,000	15,800	17,000	20,500
Adults Earning State Diplomas	6,200	9,500	11,900	14,300
Charter Schools Licensed	48	50	51	54
Grants Management				
Discretionary Contracts Awarded Annually	381	337	350	350
Entitlement Contracts Awarded Annually	4,743	4,849	4,905	4,905
Professional Development And Licensure				
Annual Evaluations (Non-Issuance)(a)	8,000	2,419	1,104	---
Certificates Awarded Annually(b)	16,500	17,500	17,500	27,000
Academic Credentials Issued Annually	400	450	500	500
County Substitute Certificate Applications Received Annually	10,000	23,000	25,000	25,000
Certificates of Eligibility Issued Annually	14,000	15,600	17,590	18,000
Training Contracts Approved Annually	8,000	6,846	7,000	7,000
Annual Induction Evaluations	24,000	20,538	21,000	21,000
Service to Local Districts				
Needs Identified				
Districts Monitored Annually	147	150	148	100
School Level Objectives Approved Annually	4,500	4,500	4,500	4,500
Level II and Level III Monitors of School Districts Annually	9	9	9	9
Assistance Rendered				
Districts Certified Annually	62	70	69	60
Districts Conditionally Certified for One Year Annually	85	80	80	40
District Objectives Achieved Annually	4,300	4,300	4,300	4,300
PERSONNEL DATA				
Position Data				
Filled Positions by Funding Source				
State Supported	283	287	262	273
Federal	65	55	52	54
All Other	32	30	37	43
Total Positions	380	372	351	370

EDUCATION

Filled Positions by Program Class	Actual FY 2004	Actual FY 2005	Revised FY 2006	Budget Estimate FY 2007
Educational Programs and Assessment	112	107	92	89
Grants Management	34	31	32	32
Professional Development and Licensure	31	30	38	44
Service to Local Districts	67	67	60	66
Early Childhood Education	14	16	16	21
Pupil Transportation	6	6	5	6
Abbott Implementation	66	68	65	69
Facilities Planning and School Building Aid	32	28	29	31
Health, Safety, and Community Services	18	19	14	12
Total Positions	380	372	351	370

Notes:

- Actual payroll counts are reported for fiscal years 2004 and 2005 as of December and revised fiscal year 2006 as of March. The Budget Estimates for fiscal year 2007 reflect the number of positions funded. All Other includes positions supported by fees or other dedicated resources previously reported as State Supported.
- (a) Annual Evaluations were suspended in fiscal year 2006 and discontinued in fiscal year 2007.
- (b) The Certificates Awarded Annually amount increased based on an updated data collection system implemented in fiscal year 2007.

APPROPRIATIONS DATA (thousands of dollars)

Year Ending June 30, 2005					Year Ending June 30, 2007				
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended	2006 Prog. Class.	Adjusted Approp.	Requested	Recom- mended	
<u>DIRECT STATE SERVICES</u>									
Distribution by Fund and Program									
27,076	---	-214	26,862	21,301	30	26,923	28,920	28,920	
528	---	---	528	528	31	644	644	644	
2,143	1,010	---	3,153	3,129	32	2,862	2,830	2,830	
5,722	3	495	6,220	6,219	33	6,008	6,407	6,407	
120	---	2,329	2,449	2,449	35	127	127	127	
415	---	14	429	429	36	422	422	422	
---	---	10,821	10,821	10,820	37	---	---	---	
3,246	1,292	---	4,538	3,290	38	2,911	2,770	2,770	
1,348	---	-4	1,344	1,336	40	1,376	1,111	1,111	
40,598	2,305	13,441	56,344	49,501	41,273 (a)		43,231	43,231	
Distribution by Fund and Object									
Personal Services:									
13,704	1,029	---	16,477	14,779	15,250		15,082	15,082	
709 ^S	700 ^R	335	---	1,234	---		---	---	
---	---	---	---	---	15,250		15,082	15,082	
14,413	1,729	335	16,477	16,013	15,250		15,082	15,082	
425	74	-45	454	375	425		425	425	
1,351	441	287	2,079	1,374	981		981	981	
52	13	-5	60	60	52		52	52	
Special Purpose:									
55	---	---	55	---	30	---	---	---	
16,225	---	---	16,225	11,725	30	16,225	20,725	20,725	
135	---	---	135	134	30	135	135	135	
152	---	---	152	152	30	152	152	152	
6,650	---	-708	5,942	4,937	30	6,200	3,826	3,826	

EDUCATION

Year Ending June 30, 2005					Year Ending June 30, 2007			
Orig. & (S)Supplemental	Reapp. & (R)Recpts.	Transfers & (E)Emergencies	Total Available	Expended	Prog. Class.	2006 Adjusted Approp.	Requested	Recommended
STATE AID								
955	---	---	955	955				
					38	775	23	23
121,272	---	-500	120,772	120,663	38	119,679	116,826	116,826
32,094	---	---	32,094	32,094				
					38	31,742	33,394	33,394
151,897					38	227,527	341,821	341,821
-9,295 ^S	4,794	-49,382	98,014	96,868				
524,979	---	-39,815	485,164	484,507				
					39	---	---	---
---	---	---	---	---	39	589,118	616,540	616,540
---	---	---	---	---	39	68,727 ^(c)	---	---
---	---	---	---	---	39	---	805,162	805,162
624,750	---	---	624,750	624,745	39	---	---	---
---	---	---	---	---	39	655,750	691,750	691,750
---	---	---	---	---	39	25,789 ^(c)	32,471	32,471
1	---	---	1	1	39	1	1	1
82,012	---	-3,105	78,907	78,907	39	96,317	104,853	104,853
79,779	---	---	79,779	79,779	39	86,940	95,097	95,097
1,981,873	7,099	-78,965	1,910,007	1,900,580	Grand Total State Appropriation		2,271,554	3,213,269
OTHER RELATED APPROPRIATIONS								
Federal Funds								
94,710	12,043	-10	106,743	92,146	30	91,478		
						1,248 ^S	89,168	89,168
2,796	---	---	2,796	175	31	2,458	2,339	2,339
---	45	---	45	44	32	100 ^S	100	100
33,464					40	30,911		
401 ^S	3,511	125	37,501	25,814		690 ^S	29,620	29,620
131,371	15,599	115	147,085	118,179	Total Federal Funds		126,885	121,227
All Other Funds								
---	47	---	47	47	29	---	---	---
---	3,872	---	4,039	1,332	30	101	101	101
---	167 ^R	---	3,677	654	32	1,300	1,000	1,000
---	3,636	---	---	---	35	2,442	2,575	2,575
---	41 ^R	---	---	---	37	11,734	10,619	10,619
---	---	---	---	---	38	824	---	---
---	73	---	---	---	40	40	40	40
---	138 ^R	248	459	372	Total All Other Funds		16,441	14,335
---	7,974	248	8,222	2,405	GRAND TOTAL ALL FUNDS		2,414,880	3,348,831
2,113,244	30,672	-78,602	2,065,314	2,021,164				

Notes -- Direct State Services - General Fund

(a) The fiscal year 2006 appropriation has been adjusted for the allocation of salary program, which includes \$148,000 in appropriated receipts, and for the reallocation of administrative efficiencies.

EDUCATION

Notes -- State Aid - General Fund

- (b) The fiscal 2005 data and fiscal 2006 appropriation have been adjusted to separately report School Construction Debt Service Aid.
- (c) The fiscal 2006 appropriation has been adjusted to report the non-contributory insurance component.

Notes -- All Other Funds

- (d) In addition to the resources reflected in All Other Funds above, funding will be transferred from the Department of Treasury to support operations and services related to the Project DARE (Drug Abuse Resistance Education) in fiscal 2007. The recent history of such receipts is reflected in the Department of Education's budget.

Language Recommendations -- Direct State Services - General Fund

From the amount appropriated hereinabove for the Governor's Literacy Initiative, the sum of \$900,000 may be transferred to the Commission for the Blind and Visually Impaired for increased Braille lessons for blind children, subject to the approval of the Director of the Division of Budget and Accounting.

From the amount hereinabove appropriated for the Governor's Literacy Initiative, there is appropriated, \$300,000 for a grant for the Learning Through Listening program at the New Jersey Unit of the Recording for the Blind and Dyslexic.

Receipts from the State Board of Examiners' fees in excess of those anticipated, not to exceed \$1,000,000, and the unexpended program balances at the end of the preceding fiscal year, are appropriated for the operation of the Professional Development and Licensure programs.

Language Recommendations -- Grants-In-Aid - General Fund

The amount hereinabove appropriated for the Liberty Science Center--Educational Services shall be used to provide educational services to students in the "Abbott districts" in the science education component of the core curriculum content standards as established by law.

The sums provided hereinabove for New Jersey After 3 shall be conditioned upon the State Treasurer and the grant recipient entering into a grant agreement; shall be available for grants and reasonable administrative costs of New Jersey After 3, Inc.; and shall be available for funding programs, activities, functions and facilities consistent with recommendations and proposals of the New Jersey After 3 Advisory Committee.

The amount hereinabove appropriated for the Governor's Literacy Program shall be used for the returning coach program and to provide grants to districts to improve instruction in language arts literacy and mathematics. In awarding such grants, the Commissioner of Education shall use criteria including the School Improvement Status based upon the federal No Child Left Behind Act and student performance on the New Jersey Assessment of Skills and Knowledge.

Language Recommendations -- State Aid - General Fund

Of the amount appropriated hereinabove for School Building Aid, the calculation of each eligible district's allocation shall include the amount based on school bond and lease purchase agreement payments for interest and principal payable during the 2006-2007 school year pursuant to section 10 of P.L.2000, c.72 (C.18A:7G-10) and the adjustments required based on the difference between the amounts calculated using actual 2004-2005 principal and interest amounts and the amounts allocated and paid in 2004-2005.

Notwithstanding the provisions of section 9 of P.L.2000, c.72 (C.18A:7G-9), for the purpose of calculating a district's State debt service aid, "DAP x 1.15" shall not be less than 40%. Notwithstanding the provisions of section 10 of P.L.2000, c.72 (C.18A:7G-10), for the purposes of calculating aid, CCSAID will be equal to the district's core curriculum standards aid calculated pursuant to section 15 of P.L.1996, c.138 (C.18A:7F-15) for fiscal 2002 and TEBUD shall be equal to the district's T&E budget calculated pursuant to subsection d. of section 13 of P.L.1996, c.138 (C.18A:7F-13) for fiscal 2002.

Of the amount hereinabove appropriated for the School Construction and Renovation Fund, an amount equal to the total earnings of investments of the School Fund shall first be charged to such fund.

In addition to the sum hereinabove appropriated for the School Construction and Renovation Fund account to make payments under the contracts authorized pursuant to section 18 of P.L. 2000, c.72 (C.18A:7G-18), there are hereby appropriated such other sums as the Director of the Division of Budget and Accounting shall determine are required to pay all amounts due from the State pursuant to such contracts.

The unexpended balance at the end of the preceding fiscal year in the School Construction and Renovation Fund account is appropriated for the same purpose.

Such additional sums as may be required for the Teachers' Pension and Annuity Fund - Non-contributory Insurance and Post Retirement Medical Other Than TPAF are appropriated, as the Director of the Division of Budget and Accounting shall determine.

Language Recommendations -- State Aid - Property Tax Relief Fund

Notwithstanding the provisions of section 1 of P.L.1997, c.53 (C.18A:39-11.1) districts shall not be reimbursed for administrative fees paid to Cooperative Transportation Service Agencies.

Notwithstanding the provisions of section 2 of P.L.1981, c.57 (C.18A:39-1a) and any other law or provision to the contrary, the additional costs of providing transportation shall be provided from the amount hereinabove appropriated for Transportation Aid, except that the maximum amount of nonpublic school transportation costs per pupil provided for in N.J.S.18A:39-1 shall equal \$794.

For any school district receiving amounts from the amount appropriated hereinabove for Pupil Transportation, and notwithstanding the provisions of N.J.S.18A:39-1 to the contrary, if the school district is located in a county of the third class or a county of the second class with a population of less than 235,000, according to the 1990 federal decennial census, transportation shall be provided to school pupils residing in this school district in going to and from any remote school other than a public school, not operated for profit in whole or in part, located within the State not more than 30 miles from the residence of the pupil.

Notwithstanding the provisions of section 2 of P.L.1996, c.96 (C.39:3B-1.2) and section 3 of P.L.1996, c.96 (C.39:3B-1.3) or any other law or regulation to the contrary, the amount appropriated hereinabove for School Bus Crossing Arms shall be provided to the owners of newly manufactured vehicles equipped with a crossing control arm with a manufacture date of 2004 or later, as noted on the vehicle registration, upon submission to the Department of Education of a complete application for reimbursement within one year of the vehicle purchase date.

Such additional sums as may be required for Teachers' Pension and Annuity Fund - Post Retirement Medical are appropriated, as the Director of the Division of Budget and Accounting shall determine.

In addition to the amounts hereinabove for Social Security Tax, there are appropriated such sums as are required for payment of Social Security Tax on behalf of members of the Teachers' Pension and Annuity Fund.

30. EDUCATIONAL, CULTURAL, AND INTELLECTUAL DEVELOPMENT
35. EDUCATION ADMINISTRATION AND MANAGEMENT

OBJECTIVES

1. To plan, execute, monitor, and evaluate the management of the administrative, programmatic, and fiscal affairs of the Department consistent with State Board rules and State and federal regulations.
2. To provide assistance to local school districts in the administration of their financial and accounting procedures.
3. To maintain the Department's budgetary, human resource, and support services.
4. To compute and distribute State aid, to provide payment of federal aid, and to advise districts on borrowing funds.
5. To provide local school district personnel with assistance in their budgeting, accounting, fiscal, and recordkeeping activities; and to collect, edit, review, and compile statistical information for the Commissioner's Annual Report.
6. To provide Department level executive and management leadership in implementing laws affecting the educational system of the State.
7. To support the State Board of Education in its function of establishing goals and policies, as well as resolving conflicts in the educational system.
8. To improve fiscal and management practices of local school districts and the Department.

PROGRAM CLASSIFICATIONS

42. **School Finance.** Responsible for the calculation and distribution of Education State Aid in accordance with the applicable statutes; provides leadership in the development of uniform school district accounting and administrative practices; provides support for research and consulting services for start-up requirements needed for reorganization under N.J.S.A. 18A:7A-1 et seq., including an analysis of school business practices, dissemination of modern budgeting materials, and further design of reporting requirements.
43. **Compliance and Auditing.** Provides the auditing capability to examine how money is used in local school districts; monitors Department fiscal activities and investigates complaints of irregularities or improprieties in the Depart-

ment, school districts, and other entities receiving educational funding. Performs background checks of applicants for positions with local school districts.

99. **Administration and Support Services.** Provides Department-wide direction, management, and general administrative support services. The State Board of Education (N.J.S.A. 18A:4-3 et seq.) consists of 13 members appointed by the Governor with the consent of the Senate. The Board sets policy for the Department as well as local school districts and hears appeals from the commissioner's decisions on controversies and disputes. The Commissioner of Education is appointed by the Governor to serve as the official agent of the State Board of Education and chief executive and administrative officer of the Department (N.J.S.A. 18A:4-22 and N.J.S.A. 18A:4-35) and is responsible for assisting the Board, implementing the Board's policy and laws affecting education, and deciding controversies and disputes presented to the Department. The School Ethics Commission (N.J.S.A. 18A:12-21 et seq.) is responsible for collecting, retaining, and reviewing financial and personal/relative disclosure statements from all local school board members and administrators as set forth by the School Ethics Act, and rendering decisions on alleged violations of that Act. In addition, numerous citizens' councils are formally established to provide advice to the Department in specific areas of responsibility.

Support services include oversight of information and educational technology and infrastructure for statewide connectivity so that all students will have access to resources needed to achieve the Core Curriculum Content Standards, budgeting, accounting, purchasing, personnel and payroll as well as administrative services such as printing, mail, and facilities. The department has developed a student data handbook; a statewide student information data warehouse is underway to assist educators and federal reporting requirements. Executive services include providing support to the State Board of Education and the School Ethics Commission, assisting the commissioner in developing policy positions on legislative initiatives, and providing accountability information to the public. Federal funds include the consolidated administration of federal programs under the No Child Left Behind Act and educational technology grants to schools.

EDUCATION

EVALUATION DATA

	Actual FY 2004	Actual FY 2005	Revised FY 2006	Budget Estimate FY 2007
PROGRAM DATA				
Compliance and Auditing				
Annual Compliance and Fiscal Reviews of School Districts . . .	4	4	4	4
Annual Audits of Applications for State School Aid	43	40	50	50
Annual Monitoring of Private Schools for the Disabled	30	18	27	27
Annual Audits of Title I Funds	40	30	35	35
Annual Grant Audits	26	26	26	26
PERSONNEL DATA				
Affirmative Action Data				
Male Minority	66	70	66	70
Male Minority %	7.0	7.4	6.9	7.4
Female Minority	192	195	192	195
Female Minority %	20.4	20.7	20.2	20.7
Total Minority	258	265	258	265
Total Minority %	27.4	28.1	27.1	28.1
Position Data				
Filled Positions by Funding Source				
State Supported	173	169	176	167
Federal	44	39	43	44
All Other	29	28	30	29
Total Positions	246	236	249	240
Filled Positions by Program Class				
School Finance	42	41	41	41
Compliance and Auditing	26	23	23	23
Administration and Support Services	178	172	185	176
Total Positions	246	236	249	240

Notes:

Actual payroll counts are reported for fiscal years 2004 and 2005 as of December and revised fiscal 2006 as of March. The Budget Estimates for fiscal 2007 reflect the number of positions funded.

APPROPRIATIONS DATA (thousands of dollars)

Year Ending June 30, 2005					Year Ending June 30, 2007			
Orig. & (S)Supplemental	Reapp. & (R)Recpts.	Transfers & (E)Emergencies	Total Available	Total Expended	Prog. Class.	2006 Adjusted Approp.	Requested	Recommended
DIRECT STATE SERVICES								
Distribution by Fund and Program								
3,152	3	221	3,376	3,375	School Finance	42	3,403	3,353
2,258	---	313	2,571	2,570	Compliance and Auditing	43	2,288	1,918
10,986	902	646	12,534	10,381	Administration and Support Services	99	11,705	9,726
16,396	905	1,180	18,481	16,326	Total Direct State Services		17,396^(a)	14,997
Distribution by Fund and Object								
Personal Services:								
12,492	---	641	13,133	13,133	Salaries and Wages		13,721	12,776
12,492	---	641	13,133	13,133	Total Personal Services		13,721	12,776
300	---	-40	260	259	Materials and Supplies		301	301
1,101	---	40	1,141	1,140	Services Other Than Personal		1,100	1,100
67	---	---	67	67	Maintenance and Fixed Charges		67	67
Special Purpose:								
---	---	222	222	222	Early Childhood Enrollment Audits	42	---	---
568 ^S	---	---	568	568	Internal Auditing	43	600 ^S	600

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Year Ending June 30, 2005					Year Ending June 30, 2007				
Orig. & (S) Supplemental	Reapp. & (R) Recpts.	Transfers & (E) Emergencies	Total Available	Expended	Prog. Class.	2006 Adjusted Approp.	Requested	Recommended	
<u>DIRECT STATE SERVICES</u>									
---	---	317	317	317					
50	---	---	50	50					
1,500	900	---	2,400	250					
68	---	---	68	68					
250	---	---	250	250					
---	5	---	5	2					
<u>CAPITAL CONSTRUCTION</u>									
Distribution by Fund and Program									
---	388	---	388	118					
---	388	---	388	118					
Distribution by Fund and Object									
Division of Administration									
---	61	---	61	---					
---	---	---	---	---					
---	327	---	327	118					
16,396	1,293	1,180	18,869	16,444					
Grand Total State Appropriation						18,446	15,497	15,497	
OTHER RELATED APPROPRIATIONS									
Federal Funds									
18,831	2,532	-67	21,296	17,506					
18,831	2,532	-67	21,296	17,506					
All Other Funds									
---	---	---	---	---					
---	9	---	---	---					
---	136 ^R	---	145	120					
---	---	---	---	---					
---	145	---	145	120					
35,227	3,970	1,113	40,310	34,070					
GRAND TOTAL ALL FUNDS						34,029	32,933	32,933	

Notes -- Direct State Services - General Fund

(a) The fiscal 2006 appropriation has been adjusted for the allocation of salary program and reallocation of administrative efficiencies.

Language Recommendations -- Direct State Services - General Fund

Receipts derived from fees for school district personnel background checks and unexpended balances at the end of the preceding fiscal year of such receipts are appropriated for the cost of operation.

In addition to the amount appropriated, such sums as may be necessary for the Department of Education to conduct comprehensive compliance investigations are appropriated, subject to the recommendation of the Commissioner of Education and the approval of the Director of the Division of Budget and Accounting.

Additional sums as may be necessary for the Department of Education in preparation for implementation of P.L.1987, c.399 (C.18A:7A-34 et seq.) are appropriated, subject to the recommendation of the Commissioner of Education and the approval of the Director of the Division of Budget and Accounting and the Joint Budget Oversight Committee or its successor.

The unexpended balance at the end of the preceding fiscal year in the Student Registration and Record System account are appropriated for the same purpose.

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Contract costs attributable to EdSmart and EasyIEP shall be paid from revenue received from the Special Education Medicaid Initiative (SEMI) and the Medicaid Administrative Claiming (MAC) programs and are appropriated for these purposes to the Student Registration and Record System account upon recommendation from the Commissioner of the Department of Education, subject to the approval of the Director of the Division of Budget and Accounting.

In the event that revenues received from the Special Education Medicaid Initiative (SEMI) and the Medicaid Administrative Claiming (MAC) programs are insufficient to satisfy contract costs attributable to EdSmart and EasyIEP, there are appropriated to the Student Registration and Record System account such sums as may be required as the Director of the Division of Budget and Accounting shall determine.

DEPARTMENT OF EDUCATION

Language Recommendations -- Direct State Services - General Fund

Of the amount appropriated hereinabove from the General Fund for the Department of Education, or otherwise available from federal sources, there are appropriated funds to establish a School Security Planning and Assurance Unit within the Department of Education, staffed to plan, coordinate, and conduct an on-going comprehensive security assessment and vulnerability reduction program for school sites Statewide, in collaboration with schools and law enforcement, subject to the approval of the Director of the Division of Budget and Accounting.

Language Recommendations -- Direct State Services - General Fund

Language Recommendations -- Grants-In-Aid - General Fund

Language Recommendations -- State Aid - General Fund

Of the amount hereinabove appropriated for the Department of Education, such sums as the Director of the Division of Budget and Accounting shall determine from the schedule included in the Governor's Budget Message first shall be charged to the State Lottery Fund.

Notwithstanding any other provision of law or this act to the contrary, monies directed to be paid to the Department of Education as a result of settlement of litigation by the Board of Public Utilities or to be paid to the Department of Education in connection with a stipulation of settlement in a merger approved by the Board of Public Utilities are appropriated for the purposes specified in the settlement agreement or stipulation, subject to the approval of the Director of the Division of Budget and Accounting.

Language Recommendations -- State Aid - General Fund

The unexpended balances at the end of the preceding fiscal year in the State Aid accounts, not to exceed \$650,000, are appropriated to the State Aid Supplemental Funding account.

Language Recommendations -- State Aid - General Fund

Language Recommendations -- State Aid - Property Tax Relief Fund

In the event that sufficient funds are not appropriated to fully fund any State Aid item, the Commissioner of Education shall apportion such appropriation among the districts in proportion to the State Aid each district would have been apportioned had the full amount of State Aid been appropriated.

Notwithstanding any law to the contrary, should appropriations in the Property Tax Relief Fund exceed available revenues, the Director of the Division of Budget and Accounting is authorized to transfer General Fund revenues into the Property Tax Relief Fund, providing unrestricted balances are available from the General Fund, as determined by the Director of the Division of Budget and Accounting.

Notwithstanding any other law or regulation to the contrary, each district shall receive no less of a total State aid amount payable for the 2006-2007 school year than the sum of the district's total State aid amount payable for the 2005-2006 school year for the following aid categories: Core Curriculum Standards Aid, Supplemental Core Curriculum Standards Aid, Early Childhood Program Aid, Instructional Supplement Aid, Demonstrably Effective Program Aid, Stabilization Aid, Stabilization Aid 2, Stabilization Aid 3, Large Efficient District Aid, Aid for Districts with High Senior Citizen Populations, Regionalization Incentive Aid, Adult and Postsecondary Education Grants, Bilingual Education Aid, Special Education Aid, County Vocational Program Aid, Transportation Aid, and Aid for Enrollment Adjustments, taking into consideration the June 2006 payment made in July 2006.

The Director of the Division of Budget and Accounting may transfer from one State Aid appropriations account for the Department of Education in the General Fund to another appropriations account in the same department in the Property Tax Relief Fund such funds as are necessary to effect the intent of the provisions of the appropriations act governing the allocation of State Aid to local school districts and to effect the intent of legislation enacted subsequent to the enactment of the appropriations act, provided that sufficient funds are available in the appropriations for that department.

Notwithstanding the provisions of section 8 of P.L.1996, c.138 (C.18A:7F-8), five percent of the total payments to local districts for Education Opportunity Aid, Core Curriculum Standards Aid, Supplemental Core Curriculum Standards Aid, Special Education, Transportation, Early Childhood programs, Demonstrably Effective programs, Instructional Supplement, Bilingual, County Vocational Educational program, other aid pursuant to P.L.1996, c.138, School Choice, Consolidated Aid and Additional Formula Aid, as provided by the Department of Education to the local school districts for the 2006-2007 school year in the 2006-07 General Fund and Special Revenue Fund State Aid Payments Schedule, shall be paid on the 8th and 22nd of each month from September through June, with the last school aid payment being subject to the approval of the State Treasurer.

From the amounts hereinabove, such sums as are required to satisfy delayed June 2006 school aid payments are appropriated and the State Treasurer is hereby authorized to make such payment in July 2006.

Notwithstanding any other law to the contrary, any school district receiving a final judgment or order against the State to assume the fiscal responsibility for the residential placement of a special education student shall have the amount of the judgment or order deducted from the State aid to be allocated to that district.

Notwithstanding any provision of law to the contrary, the Commissioner of Education may reduce the total State Aid amount payable for the 2006-2007 school year for a district in which an independent audit of the 2005-2006 school year conducted pursuant to N.J.S.18A:23-1 identifies any deviation from the Uniform Minimum Chart of Accounts after the recalculation of the district's actual "Total Administrative Costs" pursuant to N.J.A.C.6:23A-2.4.

Notwithstanding any other law to the contrary, the Commissioner of Education may reduce State aid payments to any district by any amounts found to be in violation of restrictions placed on travel expenditures in accordance with regulations adopted by the commissioner.

Notwithstanding any other law to the contrary, the Commissioner of Education may withhold State aid payments to a school district that has not submitted in final form the data elements requested for inclusion in a Statewide data warehouse within 60 days of the department's initial request or its request for additional information, whichever is later.

Language Recommendations -- State Aid - Property Tax Relief Fund

The Director of the Division of Budget and Accounting may transfer from one appropriations account for the Department of Education in the Property Tax Relief Fund to another account in the same department and fund such funds as are necessary to effect the intent of the provisions of the appropriations act governing the allocation of State Aid to local school districts, provided that sufficient funds are available in the appropriations for that department.

NOTES